

Acts of the Parliament of India

For the Year 2018

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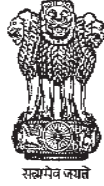
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भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 1] नई दिल्ली, बुधवार, जनवरी 3, 2018/पौष 13, 1939 (शक)
No. 1] NEW DELHI, WEDNESDAY, JANUARY, 3, 2018/PAUSHA 13, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 3rd January, 2018/Pausha 13, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 3rd January, 2018, and is hereby published for general information:—

THE COMPANIES (AMENDMENT) ACT, 2017

No. 1 OF 2018

[3rd January, 2018.]

An Act further to amend the Companies Act, 2013.

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

1. (1) This Act may be called the Companies (Amendment) Act, 2017.

Short title and
commencement.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

18 of 2013.

2. In section 2 of the Companies Act, 2013 (hereinafter referred to as the principal Act),—

Amendment of
section 2.

(i) in clause (6), for the *Explanation*, the following *Explanation* shall be substituted, namely:—

Explanation.—For the purpose of this clause,—

(a) the expression "significant influence" means control of at least twenty per cent. of total voting power, or control of or participation in business decisions under an agreement;

(b) the expression "joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement;'

(ii) for clause (28), the following clause shall be substituted, namely:—

'(28) "Cost Accountant" means a cost accountant as defined in clause (b) of sub-section (1) of section 2 of the Cost and Works Accountants Act, 1959 and who holds a valid certificate of practice under sub-section (1) of section 6 of that Act;'

(iii) in clause (30), the following proviso shall be inserted, namely:—

"Provided that—

(a) the instruments referred to in Chapter III-D of the Reserve Bank of India Act, 1934; and

(b) such other instrument, as may be prescribed by the Central Government in consultation with the Reserve Bank of India, issued by a company,

shall not be treated as debenture;";

(iv) in clause (41), in the first proviso, after the word "subsidiary", the words "or associate company" shall be inserted;

(v) in clause (46), the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this clause, the expression "company" includes any body corporate;';

(vi) clause (49) shall be omitted;

(vii) in clause (51),—

(a) in sub-clause (iv), the word "and" shall be omitted;

(b) for sub-clause (v), the following sub-clauses shall be substituted, namely:—

"(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and

(vi) such other officer as may be prescribed;";

(viii) in clause (57), for the words "and securities premium account", the words ", securities premium account and debit or credit balance of profit and loss account," shall be substituted;

(ix) in clause (71), in sub-clause (a), after the word "company;", the word "and" shall be inserted;

(x) in clause (72), in the proviso, in clause (A), after the words "State Act", the words "other than this Act or the previous company law" shall be inserted;

(xi) in clause (76), for sub-clause (viii), the following sub-clause shall be substituted, namely:—

"(viii) any body corporate which is—

(A) a holding, subsidiary or an associate company of such company;

(B) a subsidiary of a holding company to which it is also a subsidiary;

or

(C) an investing company or the venturer of the company;";

Explanation.—For the purpose of this clause, "the investing company or the venturer of a company" means a body corporate whose investment in the company would result in the company becoming an associate company of the body corporate.

(xii) in clause (85),—

(a) in sub-clause (i), for the words "five crore rupees", the words "ten crore rupees" shall be substituted;

(b) in sub-clause (ii),—

(A) for the words "as per its last profit and loss account", the words "as per profit and loss account for the immediately preceding financial year" shall be substituted;

(B) for the words "twenty crore rupees", the words "one hundred crore rupees" shall be substituted;

(xiii) in clause (87), in sub-clause (ii), for the words "total share capital", the words "total voting power" shall be substituted;

(xiv) for clause (91), the following clause shall be substituted, namely:—

'(91) "turnover" means the gross amount of revenue recognised in the profit and loss account from the sale, supply, or distribution of goods or on account of services rendered, or both, by a company during a financial year;'

3. After section 3 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 3A.

"3A. If at any time the number of members of a company is reduced, in the case of a public company, below seven, in the case of a private company, below two, and the company carries on business for more than six months while the number of members is so reduced, every person who is a member of the company during the time that it so carries on business after those six months and is cognisant of the fact that it is carrying on business with less than seven members or two members, as the case may be, shall be severally liable for the payment of the whole debts of the company contracted during that time, and may be severally sued therefor."

Members severally liable in certain cases.

4. In section 4 of the principal Act, in sub-section (5), for clause (i), the following shall be substituted, namely:—

Amendment of section 4.

"(i) Upon receipt of an application under sub-section (4), the Registrar may, on the basis of information and documents furnished along with the application, reserve the name for a period of twenty days from the date of approval or such other period as may be prescribed:

Provided that in case of an application for reservation of name or for change of its name by an existing company, the Registrar may reserve the name for a period of sixty days from the date of approval."

5. In section 7 of the principal Act, in sub-section (1), in item (c), for the words "an affidavit", the words "a declaration" shall be substituted.

Amendment of section 7.

6. In section 12 of the principal Act,—

Amendment of section 12.

(i) in sub-section (1), for the words "on and from the fifteenth day of its incorporation", the words "within thirty days of its incorporation" shall be substituted;

(ii) in sub-section (4), for the words "within fifteen days", the words "within thirty days" shall be substituted.

7. In section 21 of the principal Act, for the words "an officer of the company", the words "an officer or employee of the company" shall be substituted.

Amendment of section 21.

8. In section 26 of the principal Act, in sub-section (1),—

Amendment of section 26.

(i) after the words "signed and shall", the following shall be inserted, namely:—

"state such information and set out such reports on financial information as may be specified by the Securities and Exchange Board in consultation with the Central Government:

Provided that until the Securities and Exchange Board specifies the information and reports on financial information under this sub-section, the regulations made by the Securities and Exchange Board under the Securities and Exchange Board of India Act, 1992, in respect of such financial information or reports on financial information shall apply.";

(ii) clauses (a), (b) and (d) shall be omitted.

Amendment of section 35.

9. In section 35 of the principal Act, in sub-section (2), after clause (b), the following clause shall be inserted, namely:—

"(c) that, as regards every misleading statement purported to be made by an expert or contained in what purports to be a copy of or an extract from a report or valuation of an expert, it was a correct and fair representation of the statement, or a correct copy of, or a correct and fair extract from, the report or valuation; and he had reasonable ground to believe and did up to the time of the issue of the prospectus believe, that the person making the statement was competent to make it and that the said person had given the consent required by sub-section (5) of section 26 to the issue of the prospectus and had not withdrawn that consent before delivery of a copy of the prospectus for registration or, to the defendant's knowledge, before allotment thereunder."

Substitution of new section for section 42.

10. For section 42 of the principal Act, the following section shall be substituted, namely:—

Issue of shares on private placement basis.

'42. (1) A company may, subject to the provisions of this section, make a private placement of securities.

(2) A private placement shall be made only to a select group of persons who have been identified by the Board (herein referred to as "identified persons"), whose number shall not exceed fifty or such higher number as may be prescribed [excluding the qualified institutional buyers and employees of the company being offered securities under a scheme of employees stock option in terms of provisions of clause (b) of sub-section (1) of section 62], in a financial year subject to such conditions as may be prescribed.

(3) A company making private placement shall issue private placement offer and application in such form and manner as may be prescribed to identified persons, whose names and addresses are recorded by the company in such manner as may be prescribed:

Provided that the private placement offer and application shall not carry any right of renunciation.

Explanation I.—"private placement" means any offer or invitation to subscribe or issue of securities to a select group of persons by a company (other than by way of public offer) through private placement offer-cum-application, which satisfies the conditions specified in this section.

Explanation II.—"qualified institutional buyer" means the qualified institutional buyer as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time, made under the Securities and Exchange Board of India Act, 1992.

Explanation III.—If a company, listed or unlisted, makes an offer to allot or invites subscription, or allots, or enters into an agreement to allot, securities to more than the prescribed number of persons, whether the payment for the securities has been received or not or whether the company intends to list its securities or not on any recognised stock exchange in or outside India, the same shall be deemed to be an offer to the public and shall accordingly be governed by the provisions of Part I of this Chapter.

(4) Every identified person willing to subscribe to the private placement issue shall apply in the private placement and application issued to such person along with subscription money paid either by cheque or demand draft or other banking channel and not by cash:

Provided that a company shall not utilise monies raised through private placement unless allotment is made and the return of allotment is filed with the Registrar in accordance with sub-section (8).

(5) No fresh offer or invitation under this section shall be made unless the allotments with respect to any offer or invitation made earlier have been completed or that offer or invitation has been withdrawn or abandoned by the company:

Provided that, subject to the maximum number of identified persons under sub-section (2), a company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed.

(6) A company making an offer or invitation under this section shall allot its securities within sixty days from the date of receipt of the application money for such securities and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within fifteen days from the expiry of sixty days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of twelve per cent. per annum from the expiry of the sixtieth day:

Provided that monies received on application under this section shall be kept in a separate bank account in a scheduled bank and shall not be utilised for any purpose other than—

(a) for adjustment against allotment of securities; or

(b) for the repayment of monies where the company is unable to allot securities.

(7) No company issuing securities under this section shall release any public advertisements or utilise any media, marketing or distribution channels or agents to inform the public at large about such an issue.

(8) A company making any allotment of securities under this section, shall file with the Registrar a return of allotment within fifteen days from the date of the allotment in such manner as may be prescribed, including a complete list of all allottees, with their full names, addresses, number of securities allotted and such other relevant information as may be prescribed.

(9) If a company defaults in filing the return of allotment within the period prescribed under sub-section (8), the company, its promoters and directors shall be liable to a penalty for each default of one thousand rupees for each day during which such default continues but not exceeding twenty-five lakh rupees.

(10) Subject to sub-section (11), if a company makes an offer or accepts monies in contravention of this section, the company, its promoters and directors shall be liable for a penalty which may extend to the amount raised through the private placement or two crore rupees, whichever is lower, and the company shall also refund all monies with interest as specified in sub-section (6) to subscribers within a period of thirty days of the order imposing the penalty.

(11) Notwithstanding anything contained in sub-section (9) and sub-section (10), any private placement issue not made in compliance of the provisions of sub-section (2) shall be deemed to be a public offer and all the provisions of this Act and the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992 shall be applicable.

Amendment of section 47. **11.** In section 47, in sub-section (1), for the words, figures and brackets "provisions of section 43 and sub-section (2) of section 50", the words, figures and brackets "provisions of section 43, sub-section (2) of section 50 and sub-section (1) of section 188" shall be substituted.

Amendment of section 53. **12.** In section 53 of the principal Act,—
(i) in sub-section (2), for the words "discounted price", the word "discount" shall be substituted;

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

"(2A) Notwithstanding anything contained in sub-sections (1) and (2), a company may issue shares at a discount to its creditors when its debt is converted into shares in pursuance of any statutory resolution plan or debt restructuring scheme in accordance with any guidelines or directions or regulations specified by the Reserve Bank of India under the Reserve Bank of India Act, 1934 or the Banking (Regulation) Act, 1949."

2 of 1934.
10 of 1949.

Amendment of section 54. **13.** In section 54, in sub-section (1), clause (c) shall be omitted.

Amendment of section 62. **14.** In section 62 of the principal Act,—

(i) in sub-section (1), in clause (c), for the words "of a registered valuer subject to such conditions as may be prescribed", the words and figures "of a registered valuer, subject to the compliance with the applicable provisions of Chapter III and any other conditions as may be prescribed" shall be substituted;

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

"(2) The notice referred to in sub-clause (i) of clause (a) of sub-section (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue."

Amendment of section 73. **15.** In section 73 of the principal Act, in sub-section (2),—

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

"(c) depositing, on or before the thirtieth day of April each year, such sum which shall not be less than twenty per cent. of the amount of its deposits maturing during the following financial year and kept in a scheduled bank in a separate bank account to be called deposit repayment reserve account;"

(ii) clause (d) shall be omitted;

(iii) in clause (e), for the words "such deposits;", the following shall be substituted, namely:—

"such deposits and where a default had occurred, the company made good the default and a period of five years had lapsed since the date of making good the default;"

Amendment of section 74. **16.** In section 74, in sub-section (1), for clause (b), the following clause shall be substituted, namely:—

"(b) repay within three years from such commencement or on or before expiry of the period for which the deposits were accepted, whichever is earlier:

Provided that renewal of any such deposits shall be done in accordance with the provisions of Chapter V and the rules made thereunder."

Amendment of section 76A. **17.** In section 76A of the principal Act,—

(a) in clause (a), for the words, "one crore rupees", the words "one crore rupees or twice the amount of deposit accepted by the company, whichever is lower" shall be substituted;

(b) in clause (b),—

(i) for the words "seven years or with fine", the words "seven years and with fine" shall be substituted;

(ii) the words "or with both" shall be omitted.

18. In section 77 of the principal Act, in sub-section (1), after the third proviso, the following proviso shall be inserted, namely:— Amendment of section 77.

"Provided also that this section shall not apply to such charges as may be prescribed in consultation with the Reserve Bank of India."

19. In section 78 of the principal Act, for the words and figures "register the charge within the period specified in section 77", the words, brackets and figures "register the charge within the period of thirty days referred to in sub-section (1) of section 77" shall be substituted. Amendment of section 78.

20. In section 82 of the principal Act, in sub-section (1),— Amendment of section 82.

(i) the words, brackets and figures "and the provisions of sub-section (1) of section 77 shall, as far as may be, apply to an intimation given under this section" shall be omitted;

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

"Provided that the Registrar may, on an application by the company or the charge holder, allow such intimation of payment or satisfaction to be made within a period of three hundred days of such payment or satisfaction on payment of such additional fees as may be prescribed."

21. In section 89 of the principal Act,— Amendment of section 89.

(i) in sub-section (6), the words and figures, "within the time specified under section 403" shall be omitted;

(ii) in sub-section (7), for the words and figures, "under the first proviso to sub-section (1) of section 403", the word "therein", shall be substituted;

(iii) after sub-section (9), the following sub-section shall be inserted, namely:—

"(10) For the purposes of this section and section 90, beneficial interest in a share includes, directly or indirectly, through any contract, arrangement or otherwise, the right or entitlement of a person alone or together with any other person to—

(i) exercise or cause to be exercised any or all of the rights attached to such share; or

(ii) receive or participate in any dividend or other distribution in respect of such share."

22. For section 90 of the principal Act, the following section shall be substituted, namely:— Substitution of new section for section 90.

'90. (1) Every individual, who acting alone or together, or through one or more persons or trust, including a trust and persons resident outside India, holds beneficial interests, of not less than twenty-five per cent. or such other percentage as may be prescribed, in shares of a company or the right to exercise, or the actual exercising of significant influence or control as defined in clause (27) of section 2, over the company (herein referred to as "significant beneficial owner"), shall make a declaration to the company, specifying the nature of his interest and other particulars, in such manner Register of significant beneficial owners in a company.

and within such period of acquisition of the beneficial interest or rights and any change thereof, as may be prescribed:

Provided that the Central Government may prescribe a class or classes of persons who shall not be required to make declaration under this sub-section.

(2) Every company shall maintain a register of the interest declared by individuals under sub-section (1) and changes therein which shall include the name of individual, his date of birth, address, details of ownership in the company and such other details as may be prescribed.

(3) The register maintained under sub-section (2) shall be open to inspection by any member of the company on payment of such fees as may be prescribed.

(4) Every company shall file a return of significant beneficial owners of the company and changes therein with the Registrar containing names, addresses and other details as may be prescribed within such time, in such form and manner as may be prescribed.

(5) A company shall give notice, in the prescribed manner, to any person (whether or not a member of the company) whom the company knows or has reasonable cause to believe—

(a) to be a significant beneficial owner of the company;

(b) to be having knowledge of the identity of a significant beneficial owner or another person likely to have such knowledge; or

(c) to have been a significant beneficial owner of the company at any time during the three years immediately preceding the date on which the notice is issued,

and who is not registered as a significant beneficial owner with the company as required under this section.

(6) The information required by the notice under sub-section (5) shall be given by the concerned person within a period not exceeding thirty days of the date of the notice.

(7) The company shall,—

(a) where that person fails to give the company the information required by the notice within the time specified therein; or

(b) where the information given is not satisfactory,

apply to the Tribunal within a period of fifteen days of the expiry of the period specified in the notice, for an order directing that the shares in question be subject to restrictions with regard to transfer of interest, suspension of all rights attached to the shares and such other matters as may be prescribed.

(8) On any application made under sub-section (7), the Tribunal may, after giving an opportunity of being heard to the parties concerned, make such order restricting the rights attached with the shares within a period of sixty days of receipt of application or such other period as may be prescribed.

(9) The company or the person aggrieved by the order of the Tribunal may make an application to the Tribunal for relaxation or lifting of the restrictions placed under sub-section (8).

(10) If any person fails to make a declaration as required under sub-section (1), he shall be punishable with fine which shall not be less than one lakh rupees but which may extend to ten lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.

(11) If a company, required to maintain register under sub-section (2) and file the information under sub-section (4), fails to do so or denies inspection as provided therein, the company and every officer of the company who is in default shall be punishable with fine which shall not be less than ten lakh rupees but which may extend to fifty lakh rupees and where the failure is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which the failure continues.

(12) If any person wilfully furnishes any false or incorrect information or suppresses any material information of which he is aware in the declaration made under this section, he shall be liable to action under section 447.1.

23. In section 92 of the principal Act,—

Amendment of section 92.

(i) in sub-section (1),—

(a) clause (c) shall be omitted;

(b) in clause (j), the words "indicating their names, addresses, countries of incorporation, registration and percentage of shareholding held by them" shall be omitted;

(c) after the proviso, the following proviso shall be inserted, namely:—

'Provided further that the Central Government may prescribe abridged form of annual return for "One Person Company, small company and such other class or classes of companies as may be prescribed".'. '

(ii) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report.".

(iii) in sub-section (4), the words and figures, "within the time as specified, under section 403" shall be omitted;

(iv) in sub-section (5), for the words and figures, "under section 403 with additional fees" the word "therein" shall be substituted.

24. Section 93 of the principal Act shall be omitted.

Omission of section 93.

25. In section 94 of the principal Act,—

Amendment of section 94.

(i) in sub-section (1), in the first proviso, the words "and the Registrar has been given a copy of the proposed special resolution in advance" shall be omitted;

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

"Provided that such particulars of the register or index or return as may be prescribed shall not be available for inspection under sub-section (2) or for taking extracts or copies under this sub-section.".

26. In section 96 of the principal Act, in sub-section (2), in the proviso, for the words "Provided that", the following shall be substituted, namely:—

Amendment of section 96.

"Provided that annual general meeting of an unlisted company may be held at any place in India if consent is given in writing or by electronic mode by all the members in advance:

Provided further that".

Amendment of section 100. **27.** In section 100 of the principal Act, in sub-section (I), the following proviso shall be inserted, namely:—

"Provided that an extraordinary general meeting of the company, other than of the wholly owned subsidiary of a company incorporated outside India, shall be held at a place within India."

Amendment of section 101. **28.** In section 101 of the principal Act, in sub-section (I), for the proviso, the following proviso shall be substituted, namely:—

"Provided that a general meeting may be called after giving shorter notice than that specified in this sub-section if consent, in writing or by electronic mode, is accorded thereto—

(i) in the case of an annual general meeting, by not less than ninety-five per cent. of the members entitled to vote thereat; and

(ii) in the case of any other general meeting, by members of the company—

(a) holding, if the company has a share capital, majority in number of members entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or

(b) having, if the company has no share capital, not less than ninety-five per cent. of the total voting power exercisable at that meeting:

Provided further that where any member of a company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purposes of this sub-section in respect of the former resolution or resolutions and not in respect of the latter."

Amendment of section 110. **29.** In section 110 of the principal Act, in sub-section (I), the following proviso shall be inserted, namely:—

"Provided that any item of business required to be transacted by means of postal ballot under clause (a), may be transacted at a general meeting by a company which is required to provide the facility to members to vote by electronic means under section 108, in the manner provided in that section."

30. In section 117 of the principal Act,—

(i) in sub-section (I), the words and figures "within the time specified under section 403" shall be omitted;

(ii) in sub-section (2),—

(a) for the words and figures "under section 403 with additional fees", the word "therein" shall be substituted;

(b) for the words "not be less than five lakh rupees", the words "not be less than one lakh rupees" shall be substituted;

(c) for the words "one lakh rupees", the words "fifty thousand rupees" shall be substituted;

(iii) in sub-section (3),—

(a) clause (e) shall be omitted;

(b) in clause (g), in the proviso, the word "and" shall be omitted and the following proviso shall be inserted, namely:—

"Provided further that nothing contained in this clause shall apply to a banking company in respect of a resolution passed to grant loans, or

give guarantee or provide security in respect of loans under clause (f) of sub-section (3) of section 179 in the ordinary course of its business; and."

31. In section 121 of the principal Act,—

Amendment
of section 121.

(i) in sub-section (2), the words and figures "within the time as specified, under section 403" shall be omitted;

(ii) in sub-section (3), for the words and figures "under section 403 with additional fees", the word "therein" shall be substituted.

32. In section 123 of the principal Act,—

Amendment
of section 123.

(a) in sub-section (1),—

(i) in clause (a),—

(A) for the words "both; or", the word "both:" shall be substituted;

(B) the following proviso shall be inserted, namely:—

"Provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded; or";

(ii) in the second proviso, for the words "transferred by the company to the reserves", the words "transferred by the company to the free reserves" shall be substituted;

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The Board of Directors of a company may declare interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend:

Provided that in case the company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during immediately preceding three financial years."

33. In section 129 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

Amendment
of section 129.

"(3) Where a company has one or more subsidiaries or associate companies, it shall, in addition to financial statements provided under sub-section (2), prepare a consolidated financial statement of the company and of all the subsidiaries and associate companies in the same form and manner as that of its own and in accordance with applicable accounting standards, which shall also be laid before the annual general meeting of the company along with the laying of its financial statement under sub-section (2):

Provided that the company shall also attach along with its financial statement, a separate statement containing the salient features of the financial statement of its subsidiary or subsidiaries and associate company or companies in such form as may be prescribed:

Provided further that the Central Government may provide for the consolidation of accounts of companies in such manner as may be prescribed."

Amendment of section 130.

34. In section 130 of the principal Act,—

(i) in sub-section (1), in the proviso,—

(a) after the words "regulatory body or authorities concerned", the words "or any other person concerned" shall be inserted;

(b) after the words "the body or authority concerned", the words "or the other person concerned" shall be inserted;

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

"(3) No order shall be made under sub-section (1) in respect of re-opening of books of account relating to a period earlier than eight financial years immediately preceding the current financial year:

Provided that where a direction has been issued by the Central Government under the proviso to sub-section (5) of section 128 for keeping of books of account for a period longer than eight years, the books of account may be ordered to be re-opened within such longer period."

Amendment of section 132.

35. In section 132 of the principal Act,—

(i) in sub-section (4), in clause (c), in sub-clause (A), in item (II), for the words "ten lakh rupees", the words "five lakh rupees" shall be substituted;

(ii) in sub-section (5), for the words, brackets and figure "the Appellate Authority constituted under sub-section (6) in such manner as may be prescribed", the words "the Appellate Tribunal in such manner and on payment of such fee as may be prescribed" shall be substituted;

(iii) sub-sections (6), (7), (8) and (9) shall be omitted.

Amendment of section 134.

36. In section 134 of the principal Act,—

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

"(1) The financial statement, including consolidated financial statement, if any, shall be approved by the Board of Directors before they are signed on behalf of the Board by the chairperson of the company where he is authorised by the Board or by two directors out of which one shall be managing director, if any, and the Chief Executive Officer, the Chief Financial Officer and the company secretary of the company, wherever they are appointed, or in the case of One Person Company, only by one director, for submission to the auditor for his report thereon.";

(b) in sub-section (3),—

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

"(a) the web address, if any, where annual return referred to in sub-section (3) of section 92 has been placed;"

(ii) in clause (p), for the words "annual evaluation has been made by the Board of its own performance and that of its committees and individual directors", the words "annual evaluation of the performance of the Board, its Committees and of individual directors has been made" shall be substituted;

(iii) after clause (q), the following provisos shall be inserted, namely:—

"Provided that where disclosures referred to in this sub-section have been included in the financial statements, such disclosures shall be referred to instead of being repeated in the Board's report:

Provided further that where the policy referred to in clause (e) or clause (o) is made available on company's website, if any, it shall be sufficient compliance of the requirements under such clauses if the salient features of the policy and any change therein are specified in brief in the Board's report and the web-address is indicated therein at which the complete policy is available.";

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

"(3A) The Central Government may prescribe an abridged Board's report, for the purpose of compliance with this section by One Person Company or small company."

37. In section 135 of the principal Act,—

Amendment of section 135.

(i) in sub-section (1),—

(a) for the words "any financial year", the words "the immediately preceding financial year" shall be substituted;

(b) the following proviso shall be inserted, namely:—

"Provided that where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more directors.";

(ii) in sub-section (3), in clause (a), for the words and figures "as specified in Schedule VII", the words and figures "in areas or subject, specified in Schedule VII" shall be substituted;

(iii) in sub-section (5), for the *Explanation*, the following *Explanation* shall be substituted, namely:—

Explanation.—For the purposes of this section "net profit" shall not include such sums as may be prescribed, and shall be calculated in accordance with the provisions of section 198.!

38. In section 136 of the principal Act,—

Amendment of section 136.

(i) in sub-section (1),—

(a) the words and figures "Without prejudice to the provisions of section 101," shall be omitted;

(b) in the first proviso, for the words "Provided that", the following shall be substituted, namely:—

"Provided that if the copies of the documents are sent less than twenty-one days before the date of the meeting, they shall, notwithstanding that fact, be deemed to have been duly sent if it is so agreed by members—

(a) holding, if the company has a share capital, majority in number entitled to vote and who represent not less than ninety-five per cent. of such part of the paid-up share capital of the company as gives a right to vote at the meeting; or

(b) having, if the company has no share capital, not less than ninety-five per cent. of the total voting power exercisable at the meeting:

Provided further that";

(c) in the second proviso, for the words "Provided further", the words, "Provided also" shall be substituted;

(d) for the fourth proviso, the following provisos shall be substituted, namely:—

'Provided also that every listed company having a subsidiary or subsidiaries shall place separate audited accounts in respect of each of subsidiary on its website, if any:

Provided also that a listed company which has a subsidiary incorporated outside India (herein referred to as "foreign subsidiary")—

(a) where such foreign subsidiary is statutorily required to prepare consolidated financial statement under any law of the country of its incorporation, the requirement of this proviso shall be met if consolidated financial statement of such foreign subsidiary is placed on the website of the listed company;

(b) where such foreign subsidiary is not required to get its financial statement audited under any law of the country of its incorporation and which does not get such financial statement audited, the holding Indian listed company may place such unaudited financial statement on its website and where such financial statement is in a language other than English, a translated copy of the financial statement in English shall also be placed on the website.;

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

"Provided that every company having a subsidiary or subsidiaries shall provide a copy of separate audited or unaudited financial statements, as the case may be, as prepared in respect of each of its subsidiary to any member of the company who asks for it."

Amendment of section 137.

39. In section 137 of the principal Act,—

(i) in sub-section (1),—

(a) the words and figures "within the time specified under section 403" shall be omitted;

(b) in the second proviso, the words and figures "within the time specified under section 403" shall be omitted;

(c) after the fourth proviso, the following proviso shall be inserted, namely:—

'Provided also that in the case of a subsidiary which has been incorporated outside India (herein referred to as "foreign subsidiary"), which is not required to get its financial statement audited under any law of the country of its incorporation and which does not get such financial statement audited, the requirements of the fourth proviso shall be met if the holding Indian company files such unaudited financial statement along with a declaration to this effect and where such financial statement is in a language other than English, along with a translated copy of the financial statement in English.'

(ii) in sub-section (2), the words and figures "within the time specified, under section 403" shall be omitted;

(iii) in sub-section (3), for the words and figures "in section 403", the word "therein" shall be substituted.

Amendment of section 139.

40. In section 139 of the principal Act, in sub-section (1), the first proviso shall be omitted.

- 41.** In section 140 of the principal Act, in sub-section (3), for the words "fifty thousand rupees", the words "fifty thousand rupees or the remuneration of the auditor, whichever is less," shall be substituted. Amendment of section 140.
- 42.** In section 141 of the principal Act, in sub-section (3), for clause (i), the following clause shall be substituted, namely:— Amendment of section 141.
- ‘(i) a person who, directly or indirectly, renders any service referred to in section 144 to the company or its holding company or its subsidiary company.
- Explanation.*—For the purposes of this clause, the term "directly or indirectly" shall have the meaning assigned to it in the *Explanation* to section 144.’.
- 43.** In section 143 of the principal Act,— Amendment of section 143.
- (i) in sub-section (1), in the proviso, for the words "its subsidiaries", at both the places, the words "its subsidiaries and associate companies" shall be substituted;
- (ii) in sub-section (3), in clause (i), for the words "internal financial controls system", the words "internal financial controls with reference to financial statements" shall be substituted;
- (iii) in sub-section (14), in clause (a), for the words "cost accountant in practice", the words "cost accountant" shall be substituted.
- 44.** In section 147 of the principal Act,— Amendment of section 147.
- (i) in sub-section (2),—
- (a) after the words "five lakh rupees", the words "or four times the remuneration of the auditor, whichever is less" shall be inserted;
- (b) in the proviso, for the words "and with fine which shall not be less than one lakh rupees but which may extend to twenty-five lakh rupees", the words "and with fine which shall not be less than fifty thousand rupees but which may extend to twenty-five lakh rupees or eight times the remuneration of the auditor, whichever is less" shall be substituted;
- (ii) in sub-section (3), in clause (ii), for the words "or to any other persons", the words "or to members or creditors of the company" shall be substituted;
- (iii) in sub-section (5), the following proviso shall be inserted, namely:—
- "Provided that in case of criminal liability of an audit firm, in respect of liability other than fine, the concerned partner or partners, who acted in a fraudulent manner or abetted or, as the case may be, colluded in any fraud shall only be liable."
- 45.** In section 148 of the principal Act,— Amendment of section 148.
- (i) in sub-section (3),—
- (a) for the words "Cost Accountant in practice", the words "cost accountant" shall be substituted;
- (b) in the *Explanation*, for the words "Institute of Cost and Works Accountants of India", the words "Institute of Cost Accountants of India" shall be substituted;
- (ii) in sub-section (5), in the proviso, for the words "cost accountant in practice", the words "cost accountant" shall be substituted.
- 46.** In section 149 of the principal Act,— Amendment of section 149.
- (i) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Every company shall have at least one director who stays in India for a total period of not less than one hundred and eighty-two days during the financial year:

Provided that in case of a newly incorporated company the requirement under this sub-section shall apply proportionately at the end of the financial year in which it is incorporated.";

(ii) in sub-section (6),—

(a) in clause (c), for the words "pecuniary relationship", the words "pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed," shall be substituted;

(b) for clause (d), the following clause shall be substituted, namely:—

"(d) none of whose relatives—

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);";

(c) in clause (e), in sub-clause (i), the following proviso shall be inserted, namely:—

"Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years."

Amendment of section 152.

47. In section 152 of the principal Act,—

(a) in sub-section (3), after the word and figures "section 154", the words and figures "or any other number as may be prescribed under section 153" shall be inserted;

(b) in sub-section (4), after the word "Number", the words and figures "or such other number as may be prescribed under section 153" shall be inserted.

Amendment of section 153.

48. In section 153 of the principal Act, the following proviso shall be inserted, namely:—

"Provided that the Central Government may prescribe any identification number which shall be treated as Director Identification Number for the purposes of this Act

and in case any individual holds or acquires such identification number, the requirement of this section shall not apply or apply in such manner as may be prescribed."

49. In section 157 of the principal Act,—

Amendment of section 157.

(i) in sub-section (1), the words and figures, "within the time specified under section 403" shall be omitted;

(ii) in sub-section (2), the words and figures, "before the expiry of the period specified under section 403 with additional fee", shall be omitted.

50. In section 160 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:—

Amendment of section 160.

"Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee."

51. In section 161 of the principal Act,—

Amendment of section 161.

(i) in sub-section (2), after the words "alternate directorship for any other director in the company", the words "or holding directorship in the same company" shall be inserted;

(ii) in sub-section (4),—

(a) the words "In the case of a public company," shall be omitted;

(b) after the words "meeting of the Board", the words "which shall be subsequently approved by members in the immediate next general meeting" shall be inserted.

52. In section 164 of the principal Act,—

Amendment of section 164.

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

"Provided that where a person is appointed as a director of a company which is in default of clause (a) or clause (b), he shall not incur the disqualification for a period of six months from the date of his appointment.";

(ii) in sub-section (3), for the proviso, the following proviso shall be substituted, namely:—

"Provided that the disqualifications referred to in clauses (d), (e) and (g) of sub-section (1) shall continue to apply even if the appeal or petition has been filed against the order of conviction or disqualification."

53. In section 165 of the principal Act, in sub-section (1), the *Explanation* shall be renumbered as *Explanation I* and after *Explanation I* as so numbered, the following *Explanation* shall be inserted, namely:—

Amendment of section 165.

"*Explanation II.*—For reckoning the limit of directorships of twenty companies, the directorship in a dormant company shall not be included."

54. In section 167 of the principal Act, in sub-section (1),—

Amendment of section 167.

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

"Provided that where he incurs disqualification under sub-section (2) of section 164, the office of the director shall become vacant in all the companies, other than the company which is in default under that sub-section.";

(ii) in clause (f), for the proviso the following proviso shall be substituted, namely,—

"Provided that the office shall not be vacated by the director in case of orders referred to in clauses (e) and (f)—

(i) for thirty days from the date of conviction or order of disqualification;

(ii) where an appeal or petition is preferred within thirty days as aforesaid against the conviction resulting in sentence or order, until expiry of seven days from the date on which such appeal or petition is disposed of; or

(iii) where any further appeal or petition is preferred against order or sentence within seven days, until such further appeal or petition is disposed of."

Amendment of section 168. **55.** In section 168 of the principal Act, in sub-section (1), in the proviso, for the words "director shall also forward", the words "director may also forward" shall be substituted.

Amendment of section 173. **56.** In section 173 of the principal Act, in sub-section (2), after the first proviso, the following proviso shall be inserted, namely:—

"Provided further that where there is quorum in a meeting through physical presence of directors, any other director may participate through video conferencing or other audio visual means in such meeting on any matter specified under the first proviso."

Amendment of section 177. **57.** In section 177 of the principal Act,—

(i) in sub-section (1), for the words "every listed company", the words "every listed public company" shall be substituted;

(ii) in sub-section (4), in clause (iv), after the proviso, the following provisos shall be inserted, namely:—

"Provided further that in case of transaction, other than transactions referred to in section 188, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board:

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any director or is authorised by any other director, the director concerned shall indemnify the company against any loss incurred by it:

Provided also that the provisions of this clause shall not apply to a transaction, other than a transaction referred to in section 188, between a holding company and its wholly owned subsidiary company."

Amendment of section 178. **58.** In section 178 of the principal Act,—

(i) in sub-section (1), for the words "every listed company", the words "every listed public company" shall be substituted;

(ii) in sub-section (2), for the words "shall carry out evaluation of every director's performance", the words "shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance" shall be substituted;

(iii) in sub-section (4), in clause (c), for the proviso, the following proviso shall be substituted, namely:—

"Provided that such policy shall be placed on the website of the company, if any, and the salient features of the policy and changes therein, if any, along with the web address of the policy, if any, shall be disclosed in the Board's report.";

(iv) in sub-section (8), in the proviso, for the words "non-consideration of resolution of any grievance", the words "inability to resolve or consider any grievance" shall be substituted.

59. In section 180 of the principal Act, in sub-section (1), in clause (c), for the words "paid-up share capital and free reserves", the words "paid-up share capital, free reserves and securities premium" shall be substituted. Amendment of section 180.

60. In section 184 of the principal Act,— Amendment of section 184.

(i) in sub-section (4), the words "shall not be less than fifty thousand rupees but which" shall be omitted;

(ii) in sub-section (5), for clause (b), the following clause shall be substituted, namely:—

"(b) shall apply to any contract or arrangement entered into or to be entered into between two companies or between one or more companies and one or more bodies corporate where any of the directors of the one company or body corporate or two or more of them together holds or hold not more than two per cent. of the paid-up share capital in the other company or the body corporate.".

61. For section 185 of the principal Act, the following section shall be substituted, namely:— Substitution of new section for section 185.

'185. (1) No company shall, directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by,— Loans to directors, etc.

(a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or

(b) any firm in which any such director or relative is a partner.

(2) A company may advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that—

(a) a special resolution is passed by the company in general meeting:

Provided that the explanatory statement to the notice for the relevant general meeting shall disclose the full particulars of the loans given, or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security and any other relevant fact; and

(b) the loans are utilised by the borrowing company for its principal business activities.

Explanation.—For the purposes of this sub-section, the expression "any person in whom any of the director of the company is interested" means—

(a) any private company of which any such director is a director or member;

(b) any body corporate at a general meeting of which not less than twenty-five per cent. of the total voting power may be exercised or controlled by any such director, or by two or more such directors, together; or

(c) any body corporate, the Board of directors, managing director or manager, whereof is accustomed to act in accordance with the directions or instructions of the Board, or of any director or directors, of the lending company.

(3) Nothing contained in sub-sections (1) and (2) shall apply to—

(a) the giving of any loan to a managing or whole-time director—

(i) as a part of the conditions of service extended by the company to all its employees; or

(ii) pursuant to any scheme approved by the members by a special resolution; or

(b) a company which in the ordinary course of its business provides loans or gives guarantees or securities for the due repayment of any loan and in respect of such loans an interest is charged at a rate not less than the rate of prevailing yield of one year, three years, five years or ten years Government security closest to the tenor of the loan; or

(c) any loan made by a holding company to its wholly owned subsidiary company or any guarantee given or security provided by a holding company in respect of any loan made to its wholly owned subsidiary company; or

(d) any guarantee given or security provided by a holding company in respect of loan made by any bank or financial institution to its subsidiary company:

Provided that the loans made under clauses (c) and (d) are utilised by the subsidiary company for its principal business activities.

(4) If any loan is advanced or a guarantee or security is given or provided or utilised in contravention of the provisions of this section,—

(i) the company shall be punishable with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees;

(ii) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees; and

(iii) the director or the other person to whom any loan is advanced or guarantee or security is given or provided in connection with any loan taken by him or the other person, shall be punishable with imprisonment which may extend to six months or with fine which shall not be less than five lakh rupees but which may extend to twenty-five lakh rupees, or with both. '.

Amendment of section 186.

62. In section 186 of the principal Act,—

(i) in sub-section (2), the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this sub-section, the word "person" does not include any individual who is in the employment of the company. ';

(ii) for sub-section (3), the following sub-section shall be substituted, namely:—

'(3) Where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be

made or given by the Board, exceed the limits specified under sub-section (2), no investment or loan shall be made or guarantee shall be given or security shall be provided unless previously authorised by a special resolution passed in a general meeting:

Provided that where a loan or guarantee is given or where a security has been provided by a company to its wholly owned subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of this sub-section shall not apply:

Provided further that the company shall disclose the details of such loans or guarantee or security or acquisition in the financial statement as provided under sub-section (4)."

(iii) for sub-section (11), the following sub-section shall be substituted, namely:—

"(11) Nothing contained in this section, except sub-section (1), shall apply—

(a) to any loan made, any guarantee given or any security provided or any investment made by a banking company, or an insurance company, or a housing finance company in the ordinary course of its business, or a company established with the object of and engaged in the business of financing industrial enterprises, or of providing infrastructural facilities;

(b) to any investment—

(i) made by an investment company;

(ii) made in shares allotted in pursuance of clause (a) of sub-section (1) of section 62 or in shares allotted in pursuance of rights issues made by a body corporate;

(iii) made, in respect of investment or lending activities, by a non-banking financial company registered under Chapter III-B of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities.";

(iv) in the *Explanation*, in clause (a), after the words "other securities" the following shall be inserted, namely:—

"and a company will be deemed to be principally engaged in the business of acquisition of shares, debentures or other securities, if its assets in the form of investment in shares, debentures or other securities constitute not less than fifty per cent. of its total assets, or if its income derived from investment business constitutes not less than fifty per cent. as a proportion of its gross income.".

63. In section 188 of the principal Act,—

(i) in sub-section (1), after the second proviso, the following proviso shall be inserted, namely:—

"Provided also that nothing contained in the second proviso shall apply to a company in which ninety per cent. or more members, in number, are relatives of promoters or are related parties:";

(ii) in sub-section (3), for the words "shall be voidable at the option of the Board", the words "shall be voidable at the option of the Board or, as the case may be, of the shareholders" shall be substituted.

64. Section 194 of the principal Act shall be omitted.

Amendment of section 188.

Omission of section 194.

Omission of section 195.

65. Section 195 of the principal Act shall be omitted.

Amendment of section 196.

66. In section 196 of the principal Act,—

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

“Provided further that where no such special resolution is passed but votes cast in favour of the motion exceed the votes, if any, cast against the motion and the Central Government is satisfied, on an application made by the Board, that such appointment is most beneficial to the company, the appointment of the person who has attained the age of seventy years may be made.”;

(b) in sub-section (4), for the words “specified in that Schedule”, the words “specified in Part I of that Schedule” shall be substituted.

Amendment of section 197.

67. In section 197 of the principal Act,—

(a) in sub-section (1),—

(i) in the first proviso, the words "with the approval of the Central Government," shall be omitted;

(ii) in the second proviso, after the words "general meeting," the words "by a special resolution," shall be inserted;

(iii) after the second proviso, the following proviso shall be inserted, namely:—

"Provided also that, where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining the approval in the general meeting.";

(b) in sub-section (3), the words "and if it is not able to comply with such provisions, with the previous approval of the Central Government" shall be omitted;

(c) for sub-section (9), the following sub-section shall be substituted, namely:—

"(9) If any director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit prescribed by this section or without approval required under this section, he shall refund such sums to the company, within two years or such lesser period as may be allowed by the company, and until such sum is refunded, hold it in trust for the company.";

(d) in sub-section (10),—

(i) for the words "permitted by the Central Government", the words "approved by the company by special resolution within two years from the date the sum becomes refundable" shall be substituted;

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

"Provided that where the company has defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, the prior approval of the bank or public financial institution concerned or the non-convertible debenture holders or other secured creditor, as the case may be, shall be obtained by the company before obtaining approval of such waiver.";

(e) in sub-section (11), the words "and if such conditions are not being complied, the approval of the Central Government had been obtained" shall be omitted;

(f) after sub-section (15), the following sub-sections shall be inserted, namely:—

"(16) The auditor of the company shall, in his report under section 143, make a statement as to whether the remuneration paid by the company to its directors is in accordance with the provisions of this section, whether remuneration paid to any director is in excess of the limit laid down under this section and give such other details as may be prescribed.

(17) On and from the commencement of the Companies (Amendment) Act, 2017, any application made to the Central Government under the provisions of this section [as it stood before such commencement], which is pending with that Government shall abate, and the company shall, within one year of such commencement, obtain the approval in accordance with the provisions of this section, as so amended."

68. In section 198 of the principal Act,—

Amendment of section 198.

(i) in sub-section (3),—

(a) in clause (a), after the words "sold by the company", the words, letter, brackets and figures "unless the company is an investment company as referred to in clause (a) of the *Explanation* to section 186" shall be inserted;

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

"(f) any amount representing unrealised gains, notional gains or revaluation of assets.";

(ii) in sub-section (4), in clause (1), the words "which begins at or after the commencement of this Act" shall be omitted.

69. In section 200 of the principal Act, the words "the Central Government or" appearing at both the places shall be omitted.

Amendment of section 200.

70. In section 201 of the principal Act,—

Amendment of section 201.

(a) in sub-section (1), for the words "this Chapter", the word and figures "section 196" shall be substituted;

(b) in sub-section (2), in clause (a), for the words "any of the sections aforesaid", the word and figures "section 196" shall be substituted.

71. In section 216 of the principal Act, in sub-section (1),—

Amendment of section 216.

(i) in clause (b), for the word "company", the words "company; or" shall be substituted;

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

"(c) who have or had beneficial interest in shares of a company or who are or have been beneficial owners or significant beneficial owner of a company."

72. In section 223 of the principal Act, in sub-section (3), after the words "may be obtained", the words "by members, creditors or any other person whose interest is likely to be affected" shall be inserted.

Amendment of section 223.

73. In section 236 of the principal Act, in sub-sections (4), (5) and (6), for the words, "transferor company", wherever they occur, the words "company whose shares are being transferred" shall be substituted.

Amendment of section 236.

74. In section 247 of the principal Act, in sub-section (2), in clause (d), for the words "during or after the valuation of assets", the words "during a period of three years prior to

Amendment of section 247.

his appointment as valuer or three years after the valuation of assets was conducted by him" shall be substituted.

Amendment of section 366.

75. In section 366 of the principal Act, in sub-section (2),—

(i) for the words "seven or more members", the words "two or more members" shall be substituted;

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

"(vii) a company with less than seven members shall register as a private company."

Amendment of section 374.

76. In section 374 of the principal Act, after clause (d), the following proviso shall be inserted, namely:—

"Provided that upon registration as a company under this Part a limited liability partnership incorporated under the Limited Liability Partnership Act, 2008 shall be deemed to have been dissolved under that Act without any further act or deed."

Amendment of section 379.

77. Section 379 of the principal Act shall be renumbered as sub-section (2) thereof and before sub-section (2) as so renumbered, the following sub-section shall be inserted, namely:—

"(1) Sections 380 to 386 (both inclusive) and sections 392 and 393 shall apply to all foreign companies:

Provided that the Central Government may, by Order published in the Official Gazette, exempt any class of foreign companies, specified in the Order, from any of the provisions of sections 380 to 386 and sections 392 and 393 and a copy of every such Order shall, as soon as may be after it is made, be laid before both Houses of Parliament."

Amendment of section 384.

78. In section 384 of the principal Act, in sub-section (2), after the word and figures "section 92", the words and figures "and section 135" shall be inserted.

Amendment of section 391.

79. In section 391 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Subject to the provisions of section 376, the provisions of Chapter XX shall apply *mutatis mutandis* for closure of the place of business of a foreign company in India as if it were a company incorporated in India in case such foreign company has raised monies through offer or issue of securities under this Chapter which have not been repaid or redeemed."

Amendment of section 403.

80. In section 403 of the principal Act,—

(i) in sub-section (1), for the first and second provisos, the following provisos shall be substituted, namely:—

"Provided that where any document, fact or information required to be submitted, filed, registered or recorded, as the case may be, under section 92 or 137 is not submitted, filed, registered or recorded, as the case may be, within the period provided in those sections, without prejudice to any other legal action or liability under this Act, it may be submitted, filed, registered or recorded, as the case may be, after expiry of the period so provided in those sections, on payment of such additional fee as may be prescribed, which shall not be less than one hundred rupees per day and different amounts may be prescribed for different classes of companies:

Provided further that where the document, fact or information, as the case may be, in cases other than referred to in the first proviso, is not submitted, filed, registered or recorded, as the case may be, within the period provided in the

relevant section, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded as the case may be, on payment of such additional fee as may be prescribed and different fees may be prescribed for different classes of companies:

Provided also that where there is default on two or more occasions in submitting, filing, registering or recording of the document, fact or information, it may, without prejudice to any other legal action or liability under this Act, be submitted, filed, registered or recorded, as the case may be, on payment of a higher additional fee, as may be prescribed and which shall not be lesser than twice the additional fee provided under the first or the second proviso as applicable.”;

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

“(2) Where a company fails or commits any default to submit, file, register or record any document, fact or information under sub-section (1) before the expiry of the period specified in the relevant section, the company and the officers of the company who are in default, shall, without prejudice to the liability for the payment of fee and additional fee, be liable for the penalty or punishment provided under this Act for such failure or default.”.

81. For section 406 of the principal Act, the following section shall be substituted, namely:—

'406. (1) In this section, "*Nidhi*" or "Mutual Benefit Society" means a company which the Central Government may, by notification in the Official Gazette, declare to be a *Nidhi* or Mutual Benefit Society, as the case may be.

(2) The Central Government may, by notification in the Official Gazette, direct that any of the provisions of this Act specified in the notification—

(a) shall not apply to any *Nidhi* or Mutual Benefit Society; or

(b) shall apply to any *Nidhi* or Mutual Benefit Society with such exceptions, modifications and adaptations as may be specified in the notification.

(3) A copy of every notification proposed to be issued under sub-section (2), shall be laid in draft before each House of Parliament, while it is in session, for a total period of thirty days, and if, both Houses agree in disapproving the issue of notification or both Houses agree in making any modification in the notification, the notification shall not be issued or, as the case may be, shall be issued only in such modified form as may be agreed upon by both the Houses.

(4) In reckoning any such period of thirty days as is referred to in sub-section (3), no account shall be taken of any period during which the House referred to in sub-section (3) is prorogued or adjourned for more than four consecutive days.

(5) The copies of every notification issued under this section shall, as soon as may be after it has been issued, be laid before each House of Parliament.'

82. In section 409 of the principal Act, in sub-section (3),—

(i) in clause (a), for the words "out of which at least three years shall be in the pay scale of Joint Secretary to the Government of India or equivalent or above in that service", the words "and has been holding the rank of Secretary or Additional Secretary to the Government of India" shall be substituted;

(ii) for clause (e), the following clause shall be substituted, namely:—

"(e) is a person of proven ability, integrity and standing having special knowledge and professional experience of not less than fifteen years in industrial finance, industrial management, industrial reconstruction, investment and accountancy."

Substitution of new section for section 406.

Provision relating to *Nidhis* and its application, etc.

Amendment of section 409.

- Amendment of section 410. **83.** In section 410 of the principal Act, for the words "orders of the Tribunal", the words "orders of the Tribunal or of the National Financial Reporting Authority" shall be substituted.
- Amendment of section 411. **84.** In section 411 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—
 "(3) A technical member shall be a person of proven ability, integrity and standing having special knowledge and professional experience of not less than twenty-five years in industrial finance, industrial management, industrial reconstruction, investment and accountancy."
- Amendment of section 412. **85.** In section 412 of the principal Act, for sub-section (2), the following sub-sections shall be substituted, namely:—
 "(2) The Members of the Tribunal and the Technical Members of the Appellate Tribunal shall be appointed on the recommendation of a Selection Committee consisting of—
 (a) Chief Justice of India or his nominee—Chairperson;
 (b) a senior Judge of the Supreme Court or Chief Justice of High Court—Member;
 (c) Secretary in the Ministry of Corporate Affairs—Member; and
 (d) Secretary in the Ministry of Law and Justice—Member.
 (2A) Where in a meeting of the Selection Committee, there is equality of votes on any matter, the Chairperson shall have a casting vote."
- Amendment of section 435. **86.** For section 435 of the principal Act, the following shall be substituted, namely:—
 "435. (1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.
 (2) A Special Court shall consist of—
 (a) a single judge holding office as Session Judge or Additional Session Judge, in case of offences punishable under this Act with imprisonment of two years or more; and
 (b) a Metropolitan Magistrate or a Judicial Magistrate of the First Class, in the case of other offences,
 who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working."
- Establishment of Special Courts. **86.** For section 435 of the principal Act, the following shall be substituted, namely:—
 "435. (1) The Central Government may, for the purpose of providing speedy trial of offences under this Act, by notification, establish or designate as many Special Courts as may be necessary.
 (2) A Special Court shall consist of—
 (a) a single judge holding office as Session Judge or Additional Session Judge, in case of offences punishable under this Act with imprisonment of two years or more; and
 (b) a Metropolitan Magistrate or a Judicial Magistrate of the First Class, in the case of other offences,
 who shall be appointed by the Central Government with the concurrence of the Chief Justice of the High Court within whose jurisdiction the judge to be appointed is working."
- Amendment of section 438. **87.** In section 438 of the principal Act, for the words "deemed to be a Court of Session", the words "deemed to be a Court of Session or the court of Metropolitan Magistrate or a Judicial Magistrate of the First Class, as the case may be," shall be substituted.
- Amendment of section 439. **88.** In section 439 of the principal Act, in sub-section (2), after the words "a shareholder", the words "or a member" shall be inserted.
- Amendment of section 440. **89.** In section 440 of the principal Act, for the words "Court of Session", at both the places, the words "Court of Session or the Court of Metropolitan Magistrate or a Judicial Magistrate of the First Class, as the case may be" shall be substituted.
- Amendment of section 441. **90.** In section 441 of the principal Act, in sub-section (1), for the words "with fine only", the words "not being an offence punishable with imprisonment only, or punishable with imprisonment and also with fine" shall be substituted.

91. After section 446 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new section 446A.

"446A. The court or the Special Court, while deciding the amount of fine or imprisonment under this Act, shall have due regard to the following factors, namely:—

Factors for determining level of punishment.

- (a) size of the company;
- (b) nature of business carried on by the company;
- (c) injury to public interest;
- (d) nature of the default; and
- (e) repetition of the default.

446B. Notwithstanding anything contained in this Act, if a One Person Company or a small company fails to comply with the provisions of sub-section (5) of section 92, sub-section (2) of section 117 or sub-section (3) of section 137, such company and officer in default of such company shall be punishable with fine or imprisonment or fine and imprisonment, as the case may be, which shall not be more than one-half of the fine or imprisonment or fine and imprisonment, as the case may be, of the minimum or maximum fine or imprisonment or fine and imprisonment, as the case may be, specified in such sections."

Lesser penalties for One Person Companies or small companies.

92. In section 447 of the principal Act,—

Amendment of section 447.

(i) after the words "guilty of fraud", the words "involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower" shall be inserted;

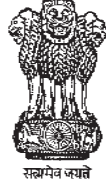
(ii) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both."

93. In section 458 of the principal Act, in sub-section (1), the proviso shall be omitted.

Amendment of section 458.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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No. 2] NEW DELHI, MONDAY, JANUARY, 8, 2018/PAUSHA 18, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January, 2018, and is hereby published for general information:—

THE REPEALING AND AMENDING ACT, 2017

No. 2 OF 2018

[5th January, 2018.]

An Act to repeal certain enactments and to amend certain other enactments.

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

1. This Act may be called the Repealing and Amending Act, 2017. Short title.
2. The enactments specified in the First Schedule are hereby repealed to the extent mentioned in the fourth column thereof. Repeal of certain enactments.
3. The enactments specified in the Second Schedule are hereby amended to the extent and in the manner mentioned in the fourth column thereof. Amendment of certain enactments.
4. The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to; Savings.

and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred, or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing;

nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed;

nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

THE FIRST SCHEDULE
(See section 2)

REPEALS

Year	No.	Short title	Extent of repeal
1	2	3	4
1850	XXXVII	The Public Servants (Inquiries) Act, 1850	The whole.
1852	VIII	The Sheriffs' Fees Act, 1852	The whole.
1866	XXI	The Converts' Marriage Dissolution Act, 1866	The whole.
1867	I	The Ganges Tolls Act, 1867	The whole.
1892	II	The Marriages' Validation Act, 1892	The whole.
1897	I	The Public Servants (Inquiries) Amendment Act, 1897	The whole.
1897	V	The Repealing and Amending Act, 1897	The whole.
1897	XIV	The Indian Short Titles Act, 1897	The whole.
1899	XXIII	The Church of Scotland Kirk Sessions Act, 1899	The whole.
1901	XI	The Amending Act, 1901	The whole.
1903	I	The Amending Act, 1903	The whole.
1928	XII	The Hindu Inheritance (Removal of Disabilities) Act, 1928	The whole.
1929	XXI	The Transfer of Property (Amendment) Supplementary Act, 1929	So much as is not repealed.
1934	XXVII	The Assam Criminal Law Amendment (Supplementary) Act, 1934	The whole.
1935	XIII	The Jubbulpore and Chhattisgarh Divisions (Divorce Proceedings Validation) Act, 1935	The whole.
1936	V	The Decrees and Orders Validating Act, 1936	The whole.
1936	XVI	The Bangalore Marriages Validating Act, 1936	The whole.
1938	XI	The Hindu Women's Right to Property (Amendment) Act, 1938	The whole.
1939	XXIX	The Indian Tariff (Fourth Amendment) Act, 1939	The whole.
1946	XXII	The Mica Mines Labour Welfare Fund Act, 1946	The whole.
1948	XL	The Indian Matrimonial Causes (War Marriages) Act, 1948	The whole.
1948	LI	The Imperial Library (Change of Name) Act, 1948	The whole.
1950	XXXIII	The Opium and Revenue Laws (Extension of Application) Act, 1950	The whole.
1951	I	The Code of Criminal Procedure (Amendment) Act, 1951	So much as is not repealed.
1951	II	The Code of Civil Procedure (Amendment) Act, 1951	So much as is not repealed.
1953	11	The Administration of Evacuee Property (Amendment) Act, 1953	The whole.
1954	3	The Ancient and Historical Monuments and Archaeological Sites and Remains (Declaration of National Importance) Amendment Act, 1953	The whole.
1954	42	The Administration of Evacuee Property (Amendment) Act, 1954	The whole.
1955	26	The Code of Criminal Procedure (Amendment) Act, 1955	So much as is not repealed.
1956	7	The Sales-Tax Laws Validation Act, 1956	The whole.
1956	27	The Representation of the People (Second Amendment) Act, 1956	The whole.
1956	66	The Code of Civil Procedure (Amendment) Act, 1956	So much as is not repealed.
1956	70	The Ancient and Historical Monuments and Archaeological Sites and Remains (Declaration of National Importance) Amendment Act, 1956	The whole.

1	2	3	4
1956	91	The Administration of Evacuee Property (Amendment) Act, 1956	The whole.
1956	93	The Young Persons (Harmful Publications) Act, 1956	The whole.
1956	100	The Motor Vehicles (Amendment) Act, 1956	The whole.
1959	37	The Central Excises and Salt (Amendment) Act, 1959	So much as is not repealed.
1959	41	The Criminal Law (Amendment) Act, 1959	So much as is not repealed.
1959	48	The Miscellaneous Personal Laws (Extension) Act, 1959	The whole.
1959	59	The Mineral Oils (Additional Duties of Excise and Customs) Amendment Act, 1959	So much as is not repealed.
1959	61	The Married Women's Property (Extension) Act, 1959	The whole.
1960	2	The Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1960	So much as is not repealed.
1960	5	The Motor Vehicles (Amendment) Act, 1960	So much as is not repealed.
1960	19	The Hindu Marriages (Validation of Proceedings) Act, 1960	The whole.
1960	38	The Central Excises (Conversion to Metric Units) Act, 1960	So much as is not repealed.
1960	40	The Customs Duties and Cesses (Conversion to Metric Units) Act, 1960	So much as is not repealed.
1960	57	The British Statutes (Application to India) Repeal Act, 1960	The whole.
1966	47	The Representation of the People (Amendment) Act, 1966	So much as is not repealed.
1969	46	The Punjab Legislative Council (Abolition) Act, 1969	The whole.
1971	20	The Bengal Finance (Sales Tax) (Delhi Validation of Appointments and Proceedings) Act, 1971	The whole.
1971	54	The Coal Bearing Areas (Acquisition and Development) Amendment and Validation Act, 1971	The whole.
1972	62	The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972	The whole.
1976	91	The Delhi Sales Tax (Amendment and Validation) Act, 1976	The whole.
1980	63	The Code of Criminal Procedure (Amendment) Act, 1980	So much as is not repealed.
1981	30	The Cine-workers Welfare Cess Act, 1981	The whole.
1983	20	The Delegated Legislation Provisions (Amendment) Act, 1983	The whole.
1984	19	The Government of Union Territories (Amendment) Act, 1984	So much as is not repealed.
1985	37	The Tea Companies (Acquisition and Transfer of Sick Tea Units) Act, 1985	The whole.
1985	81	The Banking Laws (Amendment) Act, 1985	So much as is not repealed.
1986	6	The Additional Duties of Excise (Textiles and Textile Articles) Amendment Act, 1985	The whole.
1986	7	The Additional Duties of Excise (Goods of Special Importance) Second Amendment Act, 1985	The whole.
1986	8	The Customs Tariff (Amendment) Act, 1985	The whole.
1986	19	The Administrative Tribunals (Amendment) Act, 1986	So much as is not repealed.
1986	46	The Taxation Laws (Amendment and Miscellaneous Provisions) Act, 1986	The whole.
1999	29	The Contingency Fund of India (Amendment) Act, 1999	The whole.

1	2	3	4
1999	31	The Securities Laws (Amendment) Act, 1999	The whole.
1999	32	The Securities Laws (Second Amendment) Act, 1999	The whole.
1999	45	The Vice-President's Pension (Amendment) Act, 1999	The whole.
2000	14	The President's Emoluments and Pension (Amendment) Act, 2000	The whole.
2000	49	The Protection of Human Rights (Amendment) Act, 2000	The whole.
2001	12	The Colonial Prisoners Removal (Repeal) Act, 2001	The whole.
2001	19	The Industrial Disputes (Banking Companies) Decision (Repeal) Act, 2001	The whole.
2001	22	The Judicial Administration Laws (Repeal) Act, 2001	The whole.
2001	24	The Indian Railway Companies (Repeal) Act, 2001	The whole.
2001	25	The Railway Companies (Substitution of Parties in Civil Proceedings) Repeal Act, 2001	The whole.
2001	26	The Hyderabad Export Duties (Validation) Repeal Act, 2001	The whole.
2001	50	The Code of Criminal Procedure (Amendment) Act, 2001	The whole.
2002	21	The St. John Ambulance Association (India) Transfer of Funds (Repeal) Act, 2002	The whole.
2002	22	The Code of Civil Procedure (Amendment) Act, 2002	The whole.
2002	23	The Vice-President's Pension (Amendment) Act, 2002	The whole.
2002	28	The National Institute of Pharmaceutical Education and Research (Amendment) Act, 2002	The whole.
2002	59	The Securities and Exchange Board of India (Amendment) Act, 2002	The whole.
2002	68	The North-Eastern Council (Amendment) Act, 2002	The whole.
2003	25	The Customs Tariff (Amendment) Act, 2003	The whole.
2003	31	The Prevention of Insults to National Honour (Amendment) Act, 2003	The whole.
2004	7	The Uttar Pradesh Reorganisation (Amendment) Act, 2003	The whole.
2004	28	The Special Tribunals (Supplementary Provisions) Repeal Act, 2004	The whole.
2004	29	The Unlawful Activities (Prevention) Amendment Act, 2004	The whole.
2005	1	The Securities Laws (Amendment) Act, 2004	The whole.
2005	5	The Central Excise Tariff (Amendment) Act, 2004	The whole.
2005	31	The Hire-purchase (Repeal) Act, 2005	The whole.
2005	51	The Prevention of Insults to National Honour (Amendment) Act, 2005	The whole.
2006	10	The Khadi and Village Industries Commission (Amendment) Act, 2006	The whole.
2006	20	The Delhi Special Police Establishment (Amendment) Act, 2006	The whole.
2006	30	The Union Duties of Excise (Electricity) Distribution Repeal Act, 2006	The whole.
2006	43	The Protection of Human Rights (Amendment) Act, 2006	The whole.
2006	51	The Jallianwala Bagh National Memorial (Amendment) Act, 2006	The whole.
2007	1	The Administrative Tribunals (Amendment) Act, 2007	The whole.
2007	16	The Taxation Laws (Amendment) Act, 2007	Sections 9 to 11.
2007	19	The National Institute of Pharmaceutical Education and Research (Amendment) Act, 2007	The whole.
2007	27	The Securities Contracts (Regulation) Amendment Act, 2007	The whole.
2008	28	The President's Emoluments and Pension (Amendment) Act, 2008	The whole.
2008	29	The Vice-President's Pension (Amendment) Act, 2008	The whole.
2008	35	The Unlawful Activities (Prevention) Amendment Act, 2008	The whole.
2009	1	The Governors (Emoluments, Allowances and Privileges) Amendment Act, 2008	The whole.

THE SECOND SCHEDULE

(See section 3)

AMENDMENTS

Year	No.	Short title	Amendments
1	2	3	4
2007	29	The National Institutes of Technology, Science Education and Research Act, 2007	In clause (d) of section 3, the words "as the case may be" shall be omitted.
2009	27	The Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009	In sub-section (I) of section 1, for the word and figures "Bill, 2009", the word and figures "Act, 2009" shall be substituted.
2009	35	The Right of Children to Free and Compulsory Education Act, 2009	In section 1, for the marginal heading, the marginal heading "Short title, extent, application and commencement" shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January, 2018, and is hereby published for general information:—

THE INDIAN INSTITUTE OF PETROLEUM AND ENERGY ACT, 2017

NO. 3 OF 2018

[5th January, 2018.]

An Act to declare the institution known as the Indian Institute of Petroleum and Energy to be an institution of national importance and to provide for its incorporation and for matters connected therewith or incidental thereto.

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

1. (1) This Act may be called the Indian Institute of Petroleum and Energy Act, 2017.
(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

Short title and commencement.

2. Whereas the objects of the institution known as the Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh are such as to make the institution one of national importance, it is hereby declared that the institution known as the Indian Institute of Petroleum and Energy is an institution of national importance.

Declaration of Indian Institute of Petroleum and Energy as an institution of national importance.

Definitions.

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

(a) "appointed day" means the date appointed under sub-section (2) of section 1 for coming into force of this Act;

(b) "Board" means the Board of Governors of the Institute constituted under sub-section (1) of section 5;

(c) "Chairperson" means the Chairperson of the General Council;

(d) "Director" means the Director of the Institute appointed under section 20;

(e) "fund" means the fund of the Institute to be maintained under section 24;

(f) "General Council" means the General Council constituted under sub-section (1) of section 15;

(g) "Institute" means the Indian Institute of Petroleum and Energy incorporated under section 4;

(h) "President" means the President of the Board appointed under clause (a) of sub-section (1) of section 5;

(i) "Registrar" means the Registrar of the Institute referred to in section 21;

(j) "Senate" means the Senate of the Institute referred to in section 17;

(k) "Society" means the Indian Institute of Petroleum and Energy Society, Vishakhapatnam, Andhra Pradesh registered under the Andhra Pradesh Societies Registration Act, 2001; and

(l) "Statutes" and "Ordinances" mean, respectively, the Statutes and the Ordinances of the Institute made under this Act.

Andhra
Pradesh Act
35 of 2001.

Incorporation
of Institute.

4. The Indian Institute of Petroleum and Energy, Vishakhapatnam, Andhra Pradesh, an institution registered under the Andhra Pradesh Societies Registration Act, 2001, shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and shall, by that name, sue and be sued.

Andhra
Pradesh Act
35 of 2001.

Constitution
of Board of
Governors.

5. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted by the Central Government for the purposes of this Act, a Board to be known as the Board of Governors consisting of the following members, namely:—

(a) the President to be appointed by the Central Government in such manner as may be provided by the Statutes:

Provided that the first President shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding six months from the date the first Statutes comes into force;

(b) the Director of the Institute, *ex officio*;

(c) two persons from the Board of Directors of the promoting companies to be nominated by the Central Government.

Explanation.—For the purposes of this clause, promoting companies mean those companies contributing to the endowment fund referred to in section 25;

(d) one Professor of the Indian Institute of Science, Bangalore to be nominated by the Director of that Institute;

(e) five eminent experts in the field of petroleum technology, renewable and non-renewable energy covering the entire hydrocarbon value chain having specialised knowledge or operational experience in respect of education, research, engineering

and technology to be nominated by the General Council, in consultation with the Director of the Institute;

(f) two Professors of the Institute to be nominated by the Senate of the Institute; and

(g) one representative of the graduates of the Institute to be nominated by the Executive Committee of the Alumni Association.

(2) The Registrar of the Institute shall act as the Secretary of the Board.

(3) The Board shall ordinarily meet four times during a calendar year.

6. (1) Save as otherwise provided in this section, the term of office of the President or any other member of the Board, other than *ex officio* members, shall be three years from the date of his appointment or nomination thereto.

Term of office of, vacancies among, and allowances payable to, members of Board.

(2) An *ex officio* member shall cease to be a member of the Board as soon as he vacates the office by virtue of which he is a member of the Board.

(3) The term of a member nominated to fill a casual vacancy shall continue for the remainder of the term of the member in whose place he has been nominated.

(4) Notwithstanding anything contained in this section, an outgoing member shall, unless the Central Government otherwise directs, continue in office until another person is nominated as a member in his place.

(5) The members of the Board shall be entitled to such allowances, if any, from the Institute, as may be provided for in the Statutes, but no member other than the member referred to in clause (f) of section 5 shall be entitled to any salary.

7. On and from the appointed day and subject to the other provisions of this Act, all properties which had vested in the Society immediately before that day, shall, on and from that day, vest in the Institute.

Vesting of properties.

8. On and from the appointed day,—

(a) any reference to the Society in any contract or other instrument shall be deemed as a reference to the Institute;

Effect of incorporation of Institute.

(b) all the rights and liabilities of the Society shall be transferred to, and be the rights and liabilities of, the Institute.

9. The Institute shall perform the following functions, namely:—

Functions of Institute.

(i) nurture and promote quality and excellence in education and research in the area of petroleum and hydrocarbons and energy;

(ii) provide for programmes and courses of instruction and research leading to the award of the Bachelors, Masters and Doctoral degrees in engineering and technology, management, sciences and arts in the area of petroleum and hydrocarbons and energy;

(iii) grant, subject to such conditions as the Institute may determine, degrees, diplomas, certificates or other academic distinctions or titles at various academic levels to candidates who have attained the prescribed standard of proficiency as judged on the basis of examination or on any other basis of testing and evaluation and to withdraw any such degrees, diplomas, certificates or other academic distinctions or titles for good and sufficient reasons;

(iv) confer honorary degrees or other distinctions and to institute and award fellowships, scholarships, exhibitions, prizes and medals;

(v) lay down standards of admission to the Institute through an examination or any other method of testing and evaluation;

(vi) manage the content, quality, design and continuous evaluation of its academic and research programmes in a manner that earns accreditation of an international stature;

(vii) promote research and development for the benefit of oil, gas and petrochemical industry and the energy sector through the integration of teaching and research;

(viii) foster close educational and research interaction through networking with national, regional and international players in the oil, gas and petrochemical industry and the energy sector;

(ix) co-operate with educational and research institutions in any part of the world having objects wholly or partly similar to those of the Institute by exchange of teachers and scholars, conduct of joint research, undertaking sponsored research and consultancy projects, etc;

(x) organise national and international symposia, seminars and conferences in the area of petroleum and hydrocarbons and energy;

(xi) establish, maintain and manage halls, residences and hostels for students and to lay down conditions for residing in the halls and hostels;

(xii) supervise, control and regulate the discipline of all categories of employees of the Institute and to make arrangements for promoting their health and general welfare;

(xiii) supervise and regulate the discipline of students and to make arrangements for promoting their health, general welfare and cultural and corporate life;

(xiv) frame Statutes and to alter, modify or rescind the same;

(xv) deal with any property belonging to or vested in the Institute in such manner as the Institute may deem fit for advancing its objects;

(xvi) receive gifts, grants, donations or benefactions from the Central Government and the State Governments and to receive bequests, donations, grants and transfers of movable or immovable properties from testators, donors, transferors, alumni, industry or any other person;

(xvii) borrow money for the purposes of the Institute with or without security of the property of the Institute;

(xviii) integrate new technology in the classroom to encourage student-centric learning strategies and the development of an attitude for learning;

(xix) develop and maintain an information resource centre of print and non-print knowledge resources in the field of petroleum sector covering the entire hydrocarbon value chain as well as other related areas of energy, science and technology;

(xx) provide for further education to the working professionals and other employees of the Institute in the advanced areas of technology relating to oil, gas, complete hydrocarbon value chain and energy;

(xxi) offering customised programmes that serve the current and ongoing needs of working professionals for continuing education at the cutting-edge of petroleum and energy sector at the campus of the Institute or at company site;

(xxii) encouraging industry to sponsor their staff to join the Institute for higher degrees and work on problems that interest the sponsoring industry thus helping develop deeper interactions and a research environment in the industry;

(xxiii) fostering the creation of new basic knowledge and applied technology and its active transmission to companies for the benefit of the nation and for this

purpose establishing an Intellectual Property Rights cell to patent the new developments made at the Institute and to license them nationally and internationally;

(xxiv) being proactive in supporting the skill development programmes of the Government of India by training people in various related areas by way of certificate and diploma courses at the campus of the Institute or at other locations and involving industry in design and conduct of curricula;

(xxv) giving broad focus to the functioning of the Institute in the area of petroleum and petroleum related technologies under the wide umbrella of energy; and

(xxvi) doing all such things, not specifically covered above, as may be necessary, incidental or conducive to the attainment of all or any of the objects of the Institute.

10. (1) Subject to the provisions of this Act, the Board shall be responsible for the general superintendence, direction and control of the affairs of the Institute and shall exercise all the powers not otherwise provided for by this Act, the Statutes and the Ordinances, and shall have the power to review the acts of the Senate.

Powers of Board.

(2) Without prejudice to the provisions of sub-section (1), the Board shall—

(a) take decisions on questions of policy relating to the administration and working of the Institute;

(b) lay down policy regarding the duration of the courses, nomenclature of the degrees and other distinctions to be conferred by the Institute;

(c) institute courses of study and to lay down standards of proficiency and other academic distinctions in respect of the courses offered by the Institute;

(d) lay down policy regarding the cadre structure, qualification, the method of recruitment and conditions of service of the teaching and research faculty as well as other employees of the Institute;

(e) guide resource mobilisation of the Institute and to lay down policies for investment;

(f) consider and approve proposals for taking loans for purposes of the Institute with or without security of the property of the Institute;

(g) frame Statutes and to alter, modify or rescind the same;

(h) consider and pass resolutions on the annual report, the annual accounts and the budget estimates of the Institute for the next financial year as it thinks fit together with a statement of its development plans;

(i) create academic, administrative, technical and other posts and to make appointments thereto and to provide avenues for their growth and development;

(j) examine and approve the development plans of the Institute and the financial implications of such plans;

(k) examine and approve the annual operation and capital budget estimates of Institute for the next financial year and to sanction expenditure within the limits of the approved budget;

(l) receive gifts, grants, bequests, donations or benefactions and transfer of movable or immovable properties from the Central Government and the State Governments and from testators, donors, or transferors, as the case may be, and to have custody of the funds of the Institute;

(m) fix, demand and receive fees and other charges;

(n) to sue and defend all legal proceedings on behalf of the Institute; and

(o) do all such things as may be necessary, incidental or conducive to the attainment of all or any of the aforesaid powers.

(3) The Board shall have the power to appoint such committees as it considers necessary for the exercise of its powers and the performance of its duties under this Act.

(4) The Board shall have the power to establish campus and academic centres at any place within or outside India:

Provided that no campus or academic centre shall be established outside India without the prior approval of the Central Government.

(5) Notwithstanding anything contained in section 4, the Board shall not dispose of in any manner, any immovable property of the Institute without prior approval of the Central Government.

(6) The Board may, through a specific resolution to this effect, delegate any of its powers and duties to the President, Director, any officer or any authority of the Institute subject to reserving the right to review the action that may be taken under such delegated authority.

Institute to be open to all races, creeds and classes.

11. (1) The Institute shall be open to persons of either sex and of whatever race, creed, caste or class, and no test or condition shall be imposed as to religious belief or profession in admitting students, appointing teachers or employees or in any other connection whatsoever.

(2) No bequest, donation or transfer of any property shall be accepted by the Institute which in the opinion of the Board involves conditions or obligations opposed to the spirit and object of this section.

Teaching at the Institute.

12. All teaching and other academic activities at the Institute shall be conducted by or in the name of the Institute in accordance with the Statutes and the Ordinances made in this behalf.

Visitor.

13. (1) The President of India shall be the Visitor of the Institute.

(2) The Visitor may appoint one or more persons to review the work and progress of the Institute and to hold inquiries into the affairs thereof and to report thereon in such manner as the Visitor may direct.

(3) Upon receipt of any such report, the Visitor may take such action and issue such directions as he considers necessary in respect of any of the matters dealt with in the report and the Institute shall be bound to comply with such directions.

Authorities of Institute.

14. The following shall be the authorities of the Institute, namely:—

(a) the General Council;

(b) the Board of Governors;

(c) the Senate; and

(d) such other authorities as may be declared by the Statutes to be the authorities of the Institute.

Constitution of General Council.

15. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be constituted, for the purposes of this Act, a body to be known as the General Council.

(2) The General Council shall consist of the following members, namely:—

(a) the Secretary, Ministry of Petroleum and Natural Gas in the Central Government, *ex officio*, who shall be the Chairperson;

(b) the Chairman, Indian Oil Corporation Limited, *ex officio*;

(c) the Chairman and Managing Director, Hindustan Petroleum Corporation Limited, *ex officio*;

(d) the Chairman and Managing Director, Oil and Natural Gas Corporation, *ex officio*;

(e) the Chairman and Managing Director, Gas Authority of India Limited, *ex officio*;

(f) the Director General of Hydrocarbons, *ex officio*;

(g) the Principal Advisor (Energy), NITI Aayog, *ex officio*;

(h) the Executive Director, Oil Industry Safety Directorate, *ex officio*;

(i) the Director, Indian Institute of Science, Bangalore, *ex officio*;

(j) the Director, Indian Institute of Chemical Technology, Hyderabad, *ex officio*;

(k) the Secretary, Oil Industry Development Board, *ex officio*;

(l) the President of the Board, *ex officio*;

(m) the Director of the Institute, *ex officio*; and

(n) persons, not less than two but not exceeding four, representing the private entities in the field of petroleum sector operating in the country, to be nominated by the Chairperson.

(3) The Registrar of the Institute shall be the *ex officio* Secretary of the General Council.

(4) The Chairperson shall have the power to invite any person who is not a member of the General Council to attend its meeting but such invitee shall not be entitled to vote.

16. Subject to the provisions of this Act, the General Council shall have the following powers and functions, namely:—

Powers and functions of General Council.

(a) review from time to time the broad policies and programmes of the Institute and to suggest measures for the improvement, development and expansion of the Institute thereof;

(b) consider the annual statement of accounts including a balance-sheet together with the audit report thereto and the observations of the Board of Governors thereon and to suggest improvements in fiscal management of the Institute;

(c) review and evaluate overall quality and effectiveness of the Institute and to advise measures for improvement of performance and for confidence-building between the Institute and its stakeholders;

(d) provide credibility, aura, connectivity and contacts for the Institute especially with regard to student placement and resource mobilisation;

(e) advise the Institute and its Board in respect to new cutting edge areas of technology in the domain of energy and hydrocarbon development including oil, gas, renewable and non-renewable energy, etc., that the Institute needs to pursue, as well as in respect of any other matter referred to it by the Board for advice; and

(f) advise the Institute and its Board in respect of the advanced areas of technology in the field of petroleum sector covering the entire hydrocarbon value chain as well as in respect of any other matter that may be referred to it for advice by the Board.

17. The Senate of the Institute shall be the principal academic body and its composition shall be such as may be provided by the Statutes.

Senate.

Functions of Senate.

18. Subject to the provisions of this Act, the Statutes and the Ordinances, the Senate shall have the control and general regulation, and be responsible for the maintenance of standards of instruction, education and examination in the Institute and shall exercise such other powers and perform such other duties as may be conferred or imposed upon it by the Statutes.

President of Board.

19. (1) The President shall ordinarily preside at the meetings of the Board and at the Convocations of the Institute.

(2) It shall be the duty of the President to ensure that the decisions taken by the Board are implemented.

(3) The President shall exercise such other powers and perform such other duties as may be assigned to him by this Act or the Statutes.

Director.

20. (1) The Director of the Institute shall be appointed by the Central Government in such manner and on such terms and conditions as may be provided by the Statutes:

Provided that the first Director shall be appointed by the Central Government on such terms and conditions as it deems fit, for a period not exceeding one year from the date the first Statutes come into force.

(2) The Director shall be the principal academic and executive officer of the Institute and shall be responsible for the proper administration and academic performance of the Institute and for imparting of instruction and maintenance of discipline therein.

(3) The Director shall submit annual reports and accounts to the Board.

(4) The Director shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or the Ordinances.

Registrar.

21. (1) The Registrar of the Institute shall be appointed in such manner and on such terms and conditions as may be provided by the Statutes and shall be the custodian of records, the common seal, the funds of the Institute and such other property of the Institute as the Board shall commit to his charge.

(2) The Registrar shall act as the Secretary of the General Council, the Board, the Senate and such committees as may be provided by the Statutes.

(3) The Registrar shall be responsible to the Director for the proper discharge of his functions.

(4) The Registrar shall exercise such other powers and perform such other duties as may be assigned to him by this Act, the Statutes or by the Director.

Powers and duties of other authorities and officers.

22. The powers and duties of authorities and officers, other than those hereinbefore mentioned, shall be determined by the Statutes.

Grants by Central Government.

23. For the purpose of enabling the Institute to discharge its functions efficiently under this Act, the Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Institute such sums of money and in such manner as it may think fit.

Fund of Institute.

24. (1) The Institute shall maintain a fund to which shall be credited—

(a) all moneys provided by the Central Government;

(b) all fees and other charges;

(c) all moneys received by the Institute by way of grants, gifts, donations, benefactions, bequests or transfers; and

(d) all moneys received by the Institute in any other manner or from any other source.

(2) All moneys credited to the fund shall be deposited in such banks or invested in such manner as may be decided by the Board.

(3) The fund shall be applied towards meeting the expenses of the Institute including expenses incurred in the exercise of its powers and discharge of its duties under this Act.

25. Notwithstanding anything contained in section 24, the Institute may,—

(a) set-up an endowment fund and any other fund for a specified purpose; and

(b) transfer money from its fund to the endowment fund or any other fund.

Setting-up of endowment fund.

26. The Institute shall prepare, in such form and at such time every year, a budget in respect of the financial year next ensuing, showing the estimated receipts and expenditure of the Institute and shall forward to the Central Government such number of copies thereof as may be provided by the Statutes.

Budget of Institute.

27. (1) The Institute shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the balance-sheet, in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

Accounts and audit.

(2) The accounts of the Institute shall be audited by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Institute to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Institute shall have the same rights, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of the Government accounts, and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect the offices of the Institute.

(4) The accounts of the Institute as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

28. The Institute shall prepare for every year a report of its activities during that year and submit the report to the Central Government in such form and on or before such date as may be provided by the Statutes and a copy of this report shall be laid before both Houses of Parliament within one month of its receipt.

Annual report.

29. (1) The Institute shall constitute for the benefit of its employees, including the Director, such pension, insurance and provident fund scheme as it deems fit, in such manner and subject to such conditions as may be provided by the Statutes.

Pension, provident fund, etc.

(2) Where any such provident fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 shall apply to such fund as if it were a Government provident fund.

19 of 1925.

30. All orders and decisions of the Institute shall be authenticated by the Director or any other member authorised by the Institute in this behalf and all other instruments shall be authenticated by the signature of the Director or such officers as may be authorised by the Institute.

Authentication of orders and instruments of Institute.

31. All appointments of the staff of the Institute, except that of the Director shall be made in accordance with the procedure laid down in the Statutes,—

Appointments.

(a) by the Board, if the appointment is made on the academic staff in the post of Assistant Professor or above or if the appointment is made on the non-academic staff

in any cadre, the maximum of the pay scale for which is the same or higher than that of Assistant Professor; and

(b) by the Director, in any other case.

Statutes.

32. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the formation of departments of teaching and other academic units;

(b) the institution of fellowships, scholarships, exhibitions, medals and prizes;

(c) the classification of posts, term of office, method of appointment, powers and duties and other terms and conditions of service of the officers of the Institute including the President, the Director, the Registrar, and such other officers as may be declared as officers of the Institute by the Statutes;

(d) the classification, the method of appointment and the determination of the terms and conditions of service of officers, teachers and other staff of the Institute;

(e) the reservation of posts for the Scheduled Castes, the Scheduled Tribes and other categories of persons as may be determined by the Central Government;

(f) the form in which and the time at which the budget and reports shall be prepared by the Institute;

(g) the form of annual report;

(h) the constitution of pension, insurance and provident funds for the benefit of the officers, teachers and other staff of the Institute;

(i) the constitution, powers and duties of the other authorities of the Institute referred to in clause (d) of section 14;

(j) the delegation of powers;

(k) the code of conduct, disciplinary actions thereto for misconduct including removal from service of employees on account of misconduct and the procedure for appeal against the actions of an officer or authority of the Institute;

(l) the conferment of honorary degrees;

(m) the establishment and maintenance of halls, residences and hostels;

(n) the authentication of the orders and decisions of the Board; and

(o) any other matter which by this Act is to be, or may be, provided by the Statutes.

Statutes how made.

33. (1) The first Statutes of the Institute shall be framed by the Central Government and a copy of the same shall be laid, as soon as may be after it is made, before each House of Parliament.

(2) The Board may, from time to time, make new or additional Statutes or may amend or repeal the Statutes in the manner hereafter in this section provided.

(3) A new Statute or addition to the Statutes or any amendment or repeal of a Statute shall require the previous approval of the General Council who may assent thereto or withhold assent or remit it to the Board for consideration.

(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the General Council.

Ordinances.

34. Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any of the following matters, namely:—

(a) the admission of the students to the Institute;

(b) the reservation for the Scheduled Castes, the Scheduled Tribes and other categories of persons;

(c) the courses of study to be laid down for all degrees, diplomas and certificates of the Institute;

(d) the conditions under which students shall be admitted to the degree, diploma and certificate courses and to the examinations of the Institute and the eligibility conditions for awarding the same;

(e) the conditions of award of the fellowships, scholarships, exhibitions, medals and prizes;

(f) the conditions and manner of appointment and duties of examining bodies, examiners and moderators;

(g) the conduct of examinations;

(h) the maintenance of discipline among the students of the Institute;

(i) the fees to be charged for courses of study at the Institute and for admission to the examinations;

(j) the conditions of residence of students of the Institute and the levying of the fees for residence in the halls and hostels and of other charges; and

(k) any other matter which by this Act or the Statutes is to be, or may be, provided for by the Ordinances.

35. (1) The First Ordinance of the Institute shall be framed by the Central Government.

Ordinances
how made.

(2) Save as otherwise provided in this section, Ordinances shall be made by the Senate.

(3) All Ordinances made by the Senate shall have effect from such date as it may direct, but every Ordinance so made shall be submitted, as soon as may be, to the Board and shall be considered by the Board at its next succeeding meeting.

(4) The Board shall have power by resolution to modify or cancel any such Ordinance and such Ordinance shall from the date of such resolution stand modified accordingly or cancelled, as the case may be.

36. The authorities of the Institute may have their own rules of procedure, consistent with the provisions of this Act, the Statutes and the Ordinances for the conduct of their own business and that of the committees, if any, appointed by them and not provided for by this Act, the Statutes or the Ordinances.

Conduct of
business by
authorities of
Institute.

37. (1) Any dispute arising out of a contract between the Institute and any of its employees shall, at the request of the employee concerned or at the instance of the Institute, be referred to a Tribunal of Arbitration consisting of one member appointed by the Institute, one member nominated by the employee, and an umpire appointed by the Visitor.

Tribunal of
Arbitration.

(2) The decision of the Tribunal of Arbitration shall be final.

(3) No suit or proceeding shall lie in any court in respect of any matter which is required by sub-section (1) to be referred to the Tribunal of Arbitration.

(4) The Tribunal of Arbitration shall have power to regulate its own procedure.

(5) Nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this section.

Acts and proceedings not to be invalidated by vacancies.

38. No act of the Institute or the General Council or Board or Senate or any other body set-up under this Act or the Statutes, shall be invalid merely by reasons of—

(a) any vacancy in, or defect in the constitution thereof, or

(b) any defect in the election, nomination or appointment of a person acting as a member thereof, or

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

Grant of degrees, etc., by Institute.

39. Notwithstanding anything in the University Grants Commission Act, 1956 or in any other law for the time being in force, the Institute shall have power to grant degrees and other academic distinctions and titles under this Act.

3 of 1956.

Sponsored schemes.

40. Notwithstanding anything in this Act, whenever the Institute receives funds from any Government, the University Grants Commission or any other agency including industry sponsoring a research scheme, a consultancy assignment, a teaching programme or a chaired professorship or a scholarship, to be executed or endowed at the Institute,—

(a) the amount received shall be kept by the Institute separately from the fund of the Institute and utilised only for the purpose of the scheme; and

(b) the staff required to execute the same shall be recruited in accordance with the terms and conditions stipulated by the sponsoring organisation:

Provided that any money remaining unutilised under clause (a) shall be transferred to the endowment fund created under section 25.

Control by Central Government.

41. The Institute shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of this Act.

Resolution of differences.

42. If in, or in connection with, the exercise of its powers and discharge of its functions by the Institute under this Act, any dispute or difference arises between the Institute and the Central Government, the decision of the Central Government thereon shall be final.

Power to remove difficulties.

43. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions or give such directions not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made after the expiry of two years from the appointed day.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Transitional provisions.

44. Notwithstanding anything contained in this Act,—

(a) the Board of Governors of the Society functioning as such immediately before the commencement of this Act shall continue to so function until a new Board is constituted for the Institute under this Act, but on the constitution of a new Board under this Act, the members of the Board holding office before such constitution shall cease to hold office; and

(b) until the first Statutes and the Ordinances are made under this Act, the Statutes and the Ordinances of the Indian Institute of Petroleum and Energy Society, as in force, immediately before the commencement of this Act, shall continue to apply to the Institute insofar as they are not inconsistent with the provisions of this Act.

45. (1) Every Statute and every Ordinance made or notification issued under this Act shall be published in the Official Gazette.

(2) Every Statute and every Ordinance made or notification issued 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 Statute, Ordinance or notification or both Houses agree that the Statute, Ordinance or notification should not be made or issued, the Statute, Ordinance or notification 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 Statute, Ordinance or notification.

(3) The power to make the Statutes, Ordinances or notifications shall include the power to give retrospective effect from a date not earlier than the date of commencement of this Act, to the Statutes, Ordinances, notifications or any of them but no retrospective effect shall be given to any Statute, Ordinance or notification so as to prejudicially affect the interests of any person to whom such Statute, Ordinance or notification may be applicable.

Statutes,
Ordinances
and
notifications
to be
published in
the Official
Gazette and
to be laid
before
Parliament.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 4] नई दिल्ली, सोमवार, जनवरी 8, 2018/पौष 18, 1939 (शक)
No. 4] NEW DELHI, MONDAY, JANUARY, 8, 2018/PAUSHA 18, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January, 2018, and is hereby published for general information:—

THE REPEALING AND AMENDING (SECOND) ACT, 2017

NO. 4 OF 2018

[5th January, 2018.]

An Act to repeal certain enactments and to amend certain other enactments.

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

1. This Act may be called the Repealing and Amending (Second) Act, 2017. Short title.
2. The enactments specified in the First Schedule are hereby repealed. Repeal of certain enactments.
3. The enactments specified in the Second Schedule are hereby amended to the extent and in the manner mentioned in the fourth column thereof. Amendment of certain enactments.
4. The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to; Savings.

and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred, or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing;

nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed;

nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

THE FIRST SCHEDULE

(See section 2)

REPEALS

Year	Act No.	Short title
1	2	3
<i>Central Acts</i>		
1850	XXI	The Caste Disabilities Removal Act, 1850.
1857	VII	The Madras Uncovenanted Officers Act, 1857.
1857	XXI	The Howrah Offences Act, 1857.
1859	XII	The Calcutta Pilots Act, 1859.
1862	III	The Government Seal Act, 1862.
1873	XVI	The North-Western Provinces Village and Road Police Act, 1873.
1875	XX	The Central Provinces Laws Act, 1875.
1876	XIX	The Dramatic Performances Act, 1876.
1879	XIV	The Hackney-carriage Act, 1879.
1879	XIX	The Raipur and Khattra Laws Act, 1879.
1881	XIII	The Fort William Act, 1881.
1882	XXI	The Madras Forest (Validation) Act, 1882.
1883	X	The Bikrama Singh's Estates Act, 1883.
1886	XXI	The Oudh Wasikas Act, 1886.
1888	III	The Police Act, 1888.
1888	VIII	The Indian Tolls Act, 1888.
1893	II	The Porahat Estate Act, 1893.
1895	XV	The Government Grants Act, 1895.
1897	VIII	The Reformatory Schools Act, 1897.
1911	X	The Prevention of Seditious Meetings Act, 1911.
1912	VII	The Bengal, Bihar and Orissa and Assam Laws Act, 1912.
1917	XXV	The Sir Currimbhoy Ebrahim Baronetcy (Amendment) Act, 1917.
1921	XVII	The Cattle-trespass (Amendment) Act, 1921.
1931	XX	The Sheriff of Calcutta (Powers of Custody) Act, 1931.
1932	XI	The Public Suits Validation Act, 1932.
1932	XXIV	The Bengal Suppression of Terrorist Outrages (Supplementary) Act, 1932.
1938	XX	The Criminal Law Amendment Act, 1938.
1941	IV	The Berar Laws Act, 1941.
1942	XVIII	The Weekly Holidays Act, 1942.
1943	XXIII	The War Injuries (Compensation Insurance) Act, 1943.
1947	XVI	The Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947.
1948	26	The Junagadh Administration (Property) Act, 1948.
1949	51	The Requisitioned Land (Apportionment of Compensation) Act, 1949.
1949	61	The Professions Tax Limitation (Amendment and Validation) Act, 1949.
1950	IV	The Preventive Detention Act, 1950.

1	2	3
1950	L	The Preventive Detention (Amendment) Act, 1950.
1950	67	The Cooch-Bihar (Assimilation of Laws) Act, 1950.
1951	3	The Part B States (Laws) Act, 1951.
1951	IV	The Preventive Detention (Amendment) Act, 1951.
1951	51	The Railway Companies (Emergency Provisions) Act, 1951.
1951	66	The Part C States (Miscellaneous Laws) Repealing Act, 1951.
1951	70	The Displaced Persons (Debts Adjustment) Act, 1951.
1952	1	The Part B States Marriages Validating Act, 1952.
1952	XXXIV	The Preventive Detention (Amendment) Act, 1952.
1952	LXI	The Preventive Detention (Second Amendment) Act, 1952.
1954	4	The Abducted Persons (Recovery and Restoration) Amendment Act, 1954.
1954	7	The Government of Part C States (Amendment) Act, 1954.
1954	15	The Transfer of Evacuee Deposits Act, 1954.
1954	20	The Absorbed Areas (Laws) Act, 1954.
1954	36	The Chandernagore (Merger) Act, 1954.
1954	51	The Preventive Detention (Amendment) Act, 1954.
1955	19	The Commanders-in-Chief (Change in Designation) Act, 1955.
1955	30	The Abducted Persons (Recovery and Restoration) Continuance Act, 1955.
1956	4	The Bar Councils (Validation of State Laws) Act, 1956.
1956	50	The Indian Cotton Cess (Amendment) Act, 1956.
1956	65	The Abducted Persons (Recovery and Restoration) Continuance Act, 1956.
1956	88	The Representation of the People (Miscellaneous Provisions) Act, 1956.
1956	97	The Delhi Tenants (Temporary Protection) Act, 1956.
1957	32	The Forward Contracts (Regulation) Amendment Act, 1957.
1957	37	The Legislative Councils Act, 1957.
1957	54	The Preventive Detention (Continuance) Act, 1957.
1959	24	The Pharmacy (Amendment) Act, 1959.
1960	31	The Tripura Municipal Law (Repeal) Act, 1960.
1960	47	The Bilaspur Commercial Corporation (Repeal) Act, 1960.
1960	48	The Mahendra Pratab Singh Estates (Repeal) Act, 1960.
1960	53	The Tripura Excise Law (Repeal) Act, 1960.
1962	62	The Emergency Risks (Goods) Insurance Act, 1962.
1962	63	The Emergency Risks (Factories) Insurance Act, 1962.
1963	29	The Institutes of Technology (Amendment) Act, 1963.
1963	56	The Delhi Development (Amendment) Act, 1963.
1964	23	The Delhi (Delegation of Powers) Act, 1964.
1965	50	The Goa, Daman and Diu (Absorbed Employees) Act, 1965.
1967	16	The Anti-Corruption Laws (Amendment) Act, 1967.
1969	41	The International Monetary Fund and Bank (Amendment) Act, 1969.
1971	65	The Asian Refractories Limited (Acquisition of Undertaking) Act, 1971.

1	2	3
1971	68	The Uttar Pradesh Cantonments (Control of Rent and Eviction) (Repeal) Act, 1971.
1972	36	The Coking Coal Mines (Nationalisation) Act, 1972.
1973	26	The Coal Mines (Nationalisation) Act, 1973.
1975	19	The All-India Services Regulations (Indemnity) Act, 1975.
1976	22	The Assam Sillimanite Limited (Acquisition and Transfer of Refractory Plant) Act, 1976.
1976	28	The Parliamentary Proceedings (Protection of Publication) Repeal Act, 1976.
1976	76	The National Library of India Act, 1976.
1976	89	The Indian Iron and Steel Company (Acquisition of Shares) Act, 1976.
1976	96	The Braithwaite and Company (India) Limited (Acquisition and Transfer of Undertakings) Act, 1976.
1977	16	The Disputed Elections (Prime Minister and Speaker) Act, 1977.
1977	41	The Smith, Stainstreet and Company Limited (Acquisition and Transfer of Undertakings) Act, 1977.
1977	42	The Gresham and Craven of India (Private) Limited (Acquisition and Transfer of Undertakings) Act, 1977.
1978	13	The Hindustan Tractors Limited (Acquisition and Transfer of Undertakings) Act, 1978.
1978	42	The Bolani Ores Limited (Acquisition of Shares) and Miscellaneous Provisions Act, 1978.
1979	12	The Punjab Excise (Delhi Amendment) Act, 1979.
1980	58	The Bengal Chemical and Pharmaceutical Works Limited (Acquisition and Transfer of Undertakings) Act, 1980.
1983	35	The Dangerous Machines (Regulation) Act, 1983.
1984	39	The Punjab Municipal (New Delhi Amendment) Act, 1984.
1984	43	The Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) Act, 1984.
1984	57	The Bengal Immunity Company Limited (Acquisition and Transfer of Undertakings) Act, 1984.
1985	80	The Customs (Amendment) Act, 1985.
1987	36	The Brentford Electric (India) Limited (Acquisition and Transfer of Undertakings) Act, 1987.
1993	24	The National Thermal Power Corporation Limited, the National Hydroelectric Power Corporation Limited and the North-Eastern Electric Power Corporation Limited (Acquisition and Transfer of Power Transmission Systems) Act, 1993.
1994	56	The Neyveli Lignite Corporation Limited (Acquisition and Transfer of Power Transmission System) Act, 1994.
1999	6	The Delhi Development Authority (Validation of Disciplinary Powers) Act, 1998.
1999	8	The Customs (Amendment) Act, 1998.
1999	49	The Copyright (Amendment) Act, 1999.
2000	20	The Direct-tax Laws (Miscellaneous) Repeal Act, 2000.
2000	48	The Forfeiture (Repeal) Act, 2000.
2001	33	The Influx from Pakistan (Control) Repealing (Repeal) Act, 2001.
2001	36	The Indian Universities (Repeal) Act, 2001.
2001	37	The Auroville (Emergency Provisions) Repeal Act, 2001.
2001	41	The Central Sales Tax (Amendment) Act, 2001.

1	2	3
2001	47	The Two-Member Constituencies (Abolition) and other Laws Repeal Act, 2001.
2002	57	The Mysore State Legislature (Delegation of Powers) Repeal Act, 2002.
2002	65	The Countess of Dufferin's Fund (Repeal) Act, 2002.
2002	66	The Prevention of Food Adulteration (Extension to Kohima and Mokokchung Districts) Repeal Act, 2002.
2002	70	The Refugee Relief Taxes (Abolition) Repeal Act, 2002.
2003	2	The Cable Television Networks (Regulation) Amendment Act, 2002.
2005	38	The Displaced Persons Claims and other Laws Repeal Act, 2005.
2005	44	The Immigration (Carriers' Liability) Amendment Act, 2005.
2006	3	The Central Sales Tax (Amendment) Act, 2005.
2006	18	The National Commission for Minority Educational Institutions (Amendment) Act, 2006.
2006	24	The Cess Laws (Repealing and Amending) Act, 2006.
2006	29	The Taxation Laws (Amendment) Act, 2006.
2006	32	The Spirituous Preparations (Inter-State Trade and Commerce) Control (Repeal) Act, 2006.
2006	46	The Produce Cess Laws (Abolition) Act, 2006.
2006	49	The Indian Rifles (Repeal) Act, 2006.
2007	24	The Mizoram University (Amendment) Act, 2007.
2007	39	The Competition (Amendment) Act, 2007.
2008	25	The Central Universities Laws (Amendment) Act, 2008.
2009	39	The Competition (Amendment) Act, 2009.
2010	20	The National Commission for Minority Educational Institutions (Amendment) Act, 2010.
2010	33	The Jharkhand Panchayat Raj (Amendment) Act, 2010.
2012	27	The Copyright (Amendment) Act, 2012.
2012	31	The Central Educational Institutions (Reservation in Admission) Amendment Act, 2012.
<i>Ordinances made by the Governor-General</i>		
1941	VII	The War Injuries Ordinance, 1941.
1942	XX	The Collective Fines Ordinance, 1942.
1942	XLI	The Armed Forces (Special Powers) Ordinance, 1942.
1944	XXI	The Public Health (Emergency Provisions) Ordinance, 1944.
1945	XXIV	The War Gratuities (Income-tax Exemption) Ordinance, 1945.
1945	XXX	The Secunderabad Marriage Validating Ordinance, 1945.
1946	II	The Bank Notes (Declaration of Holdings) Ordinance, 1946.
1946	VI	The Criminal Law Amendment Ordinance, 1946.
1946	X	The Termination of War (Definition) Ordinance, 1946.

THE SECOND SCHEDULE
(See section 3)

AMENDMENTS

Year	Act No.	Short title	Amendments
1	2	3	4
1951	69	The Plantations Labour Act, 1951	In section 43, sub-section (4) shall be omitted.
2016	2	The Juvenile Justice (Care and Protection of Children) Act, 2015	In section 69, in sub-section (2), for the words, brackets and letters "mentioned at (d) to (f)", the words, brackets, letters and figure "mentioned at clauses (d) to (f) of sub-section (1)" shall be substituted.
2016	49	The Rights of Persons with Disabilities Act, 2016	In section 76, after the word, brackets and letter, "clause (b)", the words, brackets and figure "of sub-section (1)" shall be inserted.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 5] नई दिल्ली, सोमवार, जनवरी 8, 2018/पौष 18, 1939 (शक)
No. 5] NEW DELHI, MONDAY, JANUARY, 8, 2018/PAUSHA 18, 1939 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 8th January, 2018/Pausha 18, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 5th January, 2018, and is hereby published for general information:—

THE INDIAN FOREST (AMENDMENT) ACT, 2017

No. 5 OF 2018

[5th January, 2018.]

An Act further to amend the Indian Forest Act, 1927.

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

1. (1) This Act may be called the Indian Forest (Amendment) Act, 2017.

Short title and commencement.

(2) It shall be deemed to have come into force on the 23rd day of November, 2017.

2. In the Indian Forest Act, 1927, in section 2, in clause (7), the word “bamboos” shall be omitted.

Amendment of section 2 of Act 16 of 1927.

Ord. 6 of 2017.

3. (1) The Indian Forest (Amendment) Ordinance, 2017 is hereby repealed.

Repeal and savings.

16 of 1927.

(2) Notwithstanding such repeal, anything done or any action taken under the Indian Forest Act, 1927, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Act, as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

CORRIGENDA

In the MENTAL HEALTHCARE ACT, 2017 (10 OF 2017) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 10, dated the 7th April, 2017,—

Page No.	Line(s)	For	Read
2	20	"sub-section (1) of section 80"	"sub-section (1) of section 73"
4	6	"clause (x)"	"clause (y)"
6	16	"clause (a) of sub-section (1) of section 91"	"clause (a) of sub-section (1) of section 82"
6	25	"section 103"	"section 94"
10	15 and 16	"clause (e) of sub-section (4)"	"clause (e) of this sub-section"
20	10	"clause (q)"	"clause (r)"
30	31	"section 85"	"section 77"
43	4	"sub-section (5)"	"sub-section (6)"
47	29 and 30	"sub-clause (ii) of clause (f) of sub-section (1) of section 2"	"sub-clause (ii) of clause (g) of sub-section (1) of section 2"
47	31 and 32	"clause (w) of sub-section (1) of section 2"	"clause (x) of sub-section (1) of section 2"
48	14	"manner"	"the manner"
48	15	"a State"	a State under sub-section (3) of section 73"
48	16 and 17	"clause (e) of sub-section (2) of section 82"	"clause (e) of sub-section (2) of section 74"
49	16	"confirm under sub-section (6) of section 103"	"conform under sub-section (7) of section 103"
49	25	"manner"	"the manner"
49	39	"provisions"	"the provisions"
50	1	"manner"	"the manner"
50	3 to 5	-	Omitted.
50	6	"clause (n)"	"clause (m)"
50	8	"clause (o)"	"clause (n)"
51	5	"14 of 1897."	"14 of 1987."



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 6] नई दिल्ली, शुक्रवार, जनवरी 19, 2018/पौष 29, 1939 (शक)
No. 6] NEW DELHI, FRIDAY, JANUARY 19, 2018/PAUSHA 29, 1939 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 18th January, 2018, and is hereby published for general information:—

THE APPROPRIATION (NO. 5) ACT, 2017

No. 6 OF 2018

[18th January, 2018.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2017-18.

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

1. This Act may be called the Appropriation (No. 5) Act, 2017.

Short title.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of sixty-six thousand one hundred thirteen crore and thirty-four lakh rupees towards defraying the several charges which will come in course of payment during the financial year 2017-18 in respect of the services specified in column 2 of the Schedule.

Issue of
Rs. 66113,34,00,000
out of the
Consolidated
Fund of India
for the
financial year
2017-18.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appropriation.

THE SCHEDULE
(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
1	Department of Agriculture, Cooperation and Farmers' Welfare	Revenue	2,00,000	..	2,00,000
		Capital	1,00,000	..	1,00,000
2	Department of Agricultural Research and Education	Revenue	192,00,00,000	..	192,00,00,000
3	Department of Animal Husbandry, Dairying and Fisheries	Revenue	2,00,000	..	2,00,000
4	Atomic Energy	Revenue	688,26,00,000	..	688,26,00,000
		Capital	278,73,00,000	..	278,73,00,000
5	Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)	Revenue	101,15,00,000	..	101,15,00,000
		Capital	28,00,00,000	..	28,00,00,000
7	Department of Fertilisers	Revenue	20532,51,00,000	..	20532,51,00,000
8	Department of Pharmaceuticals	Revenue	18,35,00,000	..	18,35,00,000
9	Ministry of Civil Aviation	Revenue	85,22,00,000	..	85,22,00,000
		Capital	1,00,000	..	1,00,000
11	Department of Commerce	Revenue	1077,52,00,000	..	1077,52,00,000
		Capital	59,00,00,000	..	59,00,00,000
12	Department of Industrial Policy and Promotion	Revenue	4,00,000	..	4,00,000
		Capital	1,00,000	..	1,00,000
13	Department of Posts	Revenue	204,00,00,000	3,01,00,000	207,01,00,000
		Capital	216,00,00,000	..	216,00,00,000
14	Department of Telecommunications	Revenue	2,00,000	..	2,00,000
		Capital	35,00,00,000	..	35,00,00,000
15	Department of Consumer Affairs	Revenue	1,00,000	..	1,00,000
		Capital	8,50,00,000	..	8,50,00,000
16	Department of Food and Public Distribution	Revenue	3486,99,00,000	2,00,000	3487,01,00,000
		Capital	2,00,000	..	2,00,000
17	Ministry of Corporate Affairs	Revenue	40,79,00,000	..	40,79,00,000
18	Ministry of Culture	Revenue	2,00,000	..	2,00,000
		Capital	1,00,000	..	1,00,000
19	Ministry of Defence (Miscellaneous)	Capital	500,00,00,000	..	500,00,00,000
20	Defence Services (Revenue)	Revenue	2954,66,00,000	..	2954,66,00,000
23	Ministry of Development of North Eastern Region	Revenue	65,00,00,000	..	65,00,00,000
24	Ministry of Drinking Water and Sanitation	Revenue	40,00,000	..	40,00,000
26	Ministry of Electronics and Information Technology	Revenue	1,00,000	..	1,00,000
		Capital	1,00,000	..	1,00,000
27	Ministry of Environment, Forests and Climate Change	Revenue	372,03,00,000	..	372,03,00,000
		Capital	1,00,000	..	1,00,000
28	Ministry of External Affairs	Revenue	1,00,000	..	1,00,000
		Capital	2,00,000	..	2,00,000
29	Department of Economic Affairs	Revenue	36,02,00,000	..	36,02,00,000
		Capital	100,03,00,000	..	100,03,00,000
31	Department of Financial Services	Revenue	4,00,000	..	4,00,000
		Capital	292,00,00,000	..	292,00,00,000
33	Department of Revenue	Revenue	43,69,00,000	..	43,69,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
34	Direct Taxes Capital	1,00,000	..	1,00,000
35	Indirect Taxes	1210,49,00,000	..	1210,49,00,000
36	Indian Audit and Accounts Department	85,77,00,000	..	85,77,00,000
39	Pensions	5905,00,00,000	95,00,00,000	6000,00,00,000
41	Ministry of Food Processing Industries	2,00,000	..	2,00,000
42	Department of Health and Family Welfare	6687,52,00,000	..	6687,52,00,000
	Capital	271,01,00,000	..	271,01,00,000
43	Department of Health Research	243,39,00,000	..	243,39,00,000
44	Department of Heavy Industry	1,00,000	..	1,00,000
46	Ministry of Home Affairs	4,04,00,000	..	4,04,00,000
47	Cabinet	20,00,00,000	..	20,00,00,000
48	Police	4292,86,00,000	..	4292,86,00,000
	Capital	1,00,000	..	1,00,000
49	Andaman and Nicobar Islands	100,00,00,000	..	100,00,00,000
	Capital	416,02,00,000	..	416,02,00,000
50	Chandigarh	62,77,00,000	..	62,77,00,000
	Capital	7,00,000	317,58,00,000	317,65,00,000
52	Daman and Diu	4,00,000	..	4,00,000
	Capital	20,01,00,000	..	20,01,00,000
53	Lakshadweep	2,00,000	..	2,00,000
	Capital	9,00,000	..	9,00,000
56	Ministry of Housing and Urban Poverty Alleviation ...	1,00,000	..	1,00,000
57	Department of School Education and Literacy	650,03,00,000	..	650,03,00,000
58	Department of Higher Education	1532,76,00,000	..	1532,76,00,000
59	Ministry of Information and Broadcasting	3,00,000	..	3,00,000
60	Ministry of Labour and Employment	2,00,000	..	2,00,000
	Capital	1,00,000	..	1,00,000
61	Law and Justice	1,00,000	..	1,00,000
	Capital	46,26,00,000	..	46,26,00,000
62	Election Commission	5,00,00,000	..	5,00,00,000
	Capital	38,79,00,000	..	38,79,00,000
	CHARGED.— <i>Supreme Court of India</i>	8,00,00,000	8,00,00,000
64	Ministry of Micro, Small and Medium Enterprises ..	2,00,000	..	2,00,000
65	Ministry of Mines	47,00,00,000	..	47,00,00,000
66	Ministry of Minority Affairs	4,00,000	..	4,00,000
67	Ministry of New and Renewable Energy	1,00,000	..	1,00,000
68	Ministry of Panchayati Raj	1,00,000	..	1,00,000
69	Ministry of Parliamentary Affairs	50,00,000	..	50,00,000
70	Ministry of Personnel, Public Grievances and Pensions	196,67,00,000	..	196,67,00,000
	Capital	1,00,000	..	1,00,000
	CHARGED.— <i>Central Vigilance Commission</i>	3,35,00,000	3,35,00,000
72	Ministry of Petroleum and Natural Gas	3,02,00,000	..	3,02,00,000
	Capital	300,00,00,000	..	300,00,00,000
73	Ministry of Planning	27,27,00,000	..	27,27,00,000
74	Ministry of Power	2995,55,00,000	..	2995,55,00,000
	Capital	1,00,000	..	1,00,000
78	Secretariat of the Vice-President	1,28,00,000	..	1,28,00,000
	CHARGED.— <i>Union Public Service Commission</i>	12,11,00,000	12,11,00,000
80	Ministry of Railways	1,00,000	..	1,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
81	Ministry of Road Transport and Highways Revenue	2,00,000	..	2,00,000
	Capital	1,00,000	..	1,00,000
82	Department of Rural Development Revenue	8394,59,00,000	..	8394,59,00,000
84	Department of Science and Technology Revenue	1,00,000	..	1,00,000
	Capital	5,00,00,000	..	5,00,00,000
85	Department of Biotechnology Revenue	38,00,00,000	..	38,00,00,000
87	Ministry of Shipping Revenue	2,00,000	..	2,00,000
88	Ministry of Skill Development and Entrepreneurship .. Revenue	1,00,000	..	1,00,000
89	Department of Social Justice and Empowerment Revenue	1,51,00,000	..	1,51,00,000
90	Department of Empowerment of Persons with Disabilities Revenue	1,00,000	..	1,00,000
91	Department of Space Revenue	61,78,00,000	..	61,78,00,000
	Capital	3,40,00,000	..	3,40,00,000
94	Ministry of Textiles Revenue	24,25,00,000	..	24,25,00,000
	Capital	1,00,000	..	1,00,000
95	Ministry of Tourism Revenue	1,00,000	..	1,00,000
96	Ministry of Tribal Affairs Revenue	3,00,00,000	..	3,00,00,000
97	Ministry of Urban Development Revenue	50,01,00,000	..	50,01,00,000
	Capital	86,02,00,000	..	86,02,00,000
98	Ministry of Water Resources, River Development and Ganga Rejuvenation Revenue	330,08,00,000	..	330,08,00,000
	Capital	1,00,000	..	1,00,000
99	Ministry of Women and Child Development Revenue	3,00,000	..	3,00,000
100	Ministry of Youth Affairs and Sports Revenue	1,00,000	96,87,00,000	96,88,00,000
	TOTAL:	65577,40,00,000	535,94,00,000	66113,34,00,000

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

CORRIGENDUM

THE COMPANIES (AMENDMENT) ACT, 2017

No. 1 OF 2018

In the Companies (Amendment) Act, 2017 (1 of 2018) as published in the Gazette of India, Extraordinary, Part II, Section 1, dated 3rd January, 2018, issue No. 1, at page 24, in line 38, for "submitted", read "submitted".

CORRIGENDA

In the INDIAN INSTITUTES OF MAGAGEMENT ACT, 2017 (33 OF 2017) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 45, dated the 31st December, 2017,—

Page No.	Line(s)	For	Read
2	2	"section 15"	"section 14"
12	39	"seleted"	"selected"
13	13	"Member-Secretary"	"Member-Secretary"

UPLOADED BY THE GENERAL MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI-110002
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भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 7] नई दिल्ली, शुक्रवार, जनवरी 19, 2018/पौष 29, 1939 (शक)
No. 7] NEW DELHI, FRIDAY, JANUARY 19, 2018/PAUSHA 29, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 18th January, 2018, and is hereby published for general information:—

THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (AMENDMENT) ACT, 2017

No. 7 OF 2018

[18th January, 2018.]

An Act further to amend the National Bank for Agriculture and Rural Development Act, 1981.

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

1. (1) This Act may be called the National Bank for Agriculture and Rural Development (Amendment) Act, 2018.

Short title and commencement.

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

61 of 1981.

2. In the National Bank for Agriculture and Rural Development Act, 1981 (hereinafter referred to as the principal Act), in the long title, for the words “small-scale industries, cottage and village industries”, the words “micro-enterprises, small enterprises and medium enterprises, cottage and village industries, handlooms” shall be substituted.

Amendment of long title.

Amendment
of section 2.

3. In section 2 of the principal Act,—

(a) clause (i) shall be omitted;

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

‘(ka) “micro enterprise”, “small enterprise” and “medium enterprise”, shall have the same meanings as are respectively assigned to them in the Micro, Small and Medium Enterprises Development Act, 2006;’;

27 of 2006.

(c) in clause (q), in the *Explanation*, in clause (a), for the words “industry in the tiny and decentralised sector and small-scale industry and handicrafts”, the words “micro-enterprises, small enterprises and medium enterprises, handicrafts, handlooms” shall be substituted;

(d) clause (t) shall be omitted.

Amendment
of section 3.

4. In section 3 of the principal Act, in sub-section (3), for the word “Bombay”, the word “Mumbai” shall be substituted.

Amendment
of section 4.

5. In section 4 of the principal Act,—

(a) in sub-section (1), for the proviso, the following provisos shall be substituted, namely:—

“Provided that the Central Government may, by notification, increase the said capital up to thirty thousand crore rupees:

Provided further that the Central Government may, in consultation with the Reserve Bank and by notification, further increase the said capital to such amount as it may deem necessary from time to time.”;

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

“(2) The capital of the National Bank which has been subscribed to by the Reserve Bank valued at twenty crore rupees as on the date immediately preceding the commencement of the National Bank for Agriculture and Rural Development (Amendment) Act, 2017 shall, on such commencement, stand transferred to, and vested in, the Central Government:

Provided that the National Bank may issue capital to such institutions and persons in such manner as may be notified by the Central Government:

Provided further that the shareholding of the Central Government shall not at any time be less than fifty-one per cent. of the total subscribed capital.

(3) The Central Government shall give to the Reserve Bank an amount equal to the face value of the subscribed capital, valued at twenty crores of rupees, referred to in sub-section (2), in cash, for transfer to, and vesting in the Central Government of the capital of the National Bank which has been so subscribed to by the said Bank.”.

Amendment
of section 6.

6. In section 6 of the principal Act, in sub-section (1), in clause (b), for the words “small-scale industries”, the words “micro-enterprises, small enterprises and medium enterprises” shall be substituted.

Amendment
of section 14.

7. In section 14 of the principal Act, in sub-section (1), for the words “small-scale industries”, the words “micro-enterprises, small enterprises and medium enterprises” shall be substituted.

Amendment
of section 21.

8. In section 21 of the principal Act, in sub-section (1), in clause (v), for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries or of those engaged in the field of handicrafts,” the words “village and cottage industries, micro-enterprises, small enterprises and medium enterprises or of those engaged in the field of handicrafts, handlooms” shall be substituted.

9. In section 23 of the principal Act, for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries and those engaged in the field of handicrafts and other rural crafts,”, the words “village and cottage industries, micro enterprises, small enterprises and medium enterprises and those engaged in the field of handicrafts, handlooms and other rural crafts” shall be substituted. Amendment of section 23.

10. In section 25 of the principal Act, in sub-section (I), in clause (c), for the words “small-scale industries, industries in the tiny and decentralised sector, village and cottage industries and those engaged in the field of handicrafts”, the words “village and cottage industries, micro-enterprises, small enterprises and medium enterprises and those engaged in the field of handicrafts, handlooms” shall be substituted. Amendment of section 25.

11. In section 37A of the principal Act, in sub-section (I),—

(a) in the proviso, in clauses (a) and (b), for the words and figures “in section 617 of the Companies Act, 1956”, the words, brackets and figures “in clause (45) of section 2 of the Companies Act, 2013” shall be substituted; Amendment of section 37A.

(b) in the *Explanation*, for the words, brackets and figures “in clause (41) of section 2 of the Companies Act, 1956”, the words, brackets and figures “in clause (77) of section 2 of the Companies Act, 2013” shall be substituted.

12. In section 48 of the principal Act, in sub-section (I), for the words and figures “section 226 of the Companies Act, 1956”, the words and figures “section 141 of the Companies Act, 2013” shall be substituted. Amendment of section 48.

13. In section 52A of the principal Act, in sub-section (I), for the words and figures “the Companies Act, 1956”, the words and figures “the Companies Act, 2013” shall be substituted. Amendment of section 52A.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 8] नई दिल्ली, शुक्रवार, जनवरी 19, 2018/पौष 29, 1939 (शक)
No. 8] NEW DELHI, FRIDAY, JANUARY 19, 2018/PAUSHA 29, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 18th January, 2018, and is hereby published for general information:—

THE INSOLVENCY AND BANKRUPTCY CODE (AMENDMENT) ACT, 2017

No. 8 OF 2018

[18th January, 2018.]

An Act to amend the Insolvency and Bankruptcy Code, 2016.

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

1. (1) This Act may be called the Insolvency and Bankruptcy Code (Amendment) Act, 2018. Short title and commencement.

(2) It shall be deemed to have come into force on the 23rd day of November, 2017.

31 of 2016.

2. In the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the principal Act), in section 2,— Amendment of section 2.

(i) in clause (d), the word "and" shall be omitted;

(ii) for clause (e), the following clauses shall be substituted, namely:—

"(e) personal guarantors to corporate debtors;

(f) partnership firms and proprietorship firms; and

(g) individuals, other than persons referred to in clause (e)."

Amendment
of section 5.

3. In section 5 of the principal Act,—

(a) for clause (25), the following clause shall be substituted, namely:—

'(25) "resolution applicant" means a person, who individually or jointly with any other person, submits a resolution plan to the resolution professional pursuant to the invitation made under clause (h) of sub-section (2) of section 25;';

(b) in clause (26), for the words "any person", the words "resolution applicant" shall be substituted.

Amendment
of section 25.

4. In section 25 of the principal Act, in sub-section (2), for clause (h), the following clause shall be substituted, namely:—

"(h) invite prospective resolution applicants, who fulfil such criteria as may be laid down by him with the approval of committee of creditors, having regard to the complexity and scale of operations of the business of the corporate debtor and such other conditions as may be specified by the Board, to submit a resolution plan or plans."

Insertion of
new section
29A.

5. After section 29 of the principal Act, the following section shall be inserted, namely:—

Persons not
eligible to be
resolution
applicant.

"29A. A person shall not be eligible to submit a resolution plan, if such person, or any other person acting jointly or in concert with such person—

(a) is an undischarged insolvent;

(b) is a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949; 10 of 1949.

(c) has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor; 10 of 1949.

Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to non-performing asset accounts before submission of resolution plan;

(d) has been convicted for any offence punishable with imprisonment for two years or more;

(e) is disqualified to act as a director under the Companies Act, 2013; 18 of 2013.

(f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;

(g) has been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code;

(h) has executed an enforceable guarantee in favour of a creditor in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under this Code;

(i) has been subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or

(j) has a connected person not eligible under clauses (a) to (i).

Explanation.— For the purposes of this clause, the expression "connected person" means—

(i) any person who is the promoter or in the management or control of the resolution applicant; or

(ii) any person who shall be the promoter or in management or control of the business of the corporate debtor during the implementation of the resolution plan; or

(iii) the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii):

Provided that nothing in clause (iii) of this *Explanation* shall apply to—

(A) a scheduled bank; or

(B) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; or

(C) an Alternate Investment Fund registered with the Securities and Exchange Board of India."

54 of 2002.

6. In section 30 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—

Amendment of section 30.

"(4) The committee of creditors may approve a resolution plan by a vote of not less than seventy-five per cent. of voting share of the financial creditors, after considering its feasibility and viability, and such other requirements as may be specified by the Board:

Provided that the committee of creditors shall not approve a resolution plan, submitted before the commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017, where the resolution applicant is ineligible under section 29A and may require the resolution professional to invite a fresh resolution plan where no other resolution plan is available with it:

Ord. 7 of 2017.

Provided further that where the resolution applicant referred to in the first proviso is ineligible under clause (c) of section 29A, the resolution applicant shall be allowed by the committee of creditors such period, not exceeding thirty days, to make payment of overdue amounts in accordance with the proviso to clause (c) of section 29A:

Provided also that nothing in the second proviso shall be construed as extension of period for the purposes of the proviso to sub-section (3) of section 12, and the corporate insolvency resolution process shall be completed within the period specified in that sub-section."

7. In section 35 of the principal Act, in sub-section (1), in clause (f), the following proviso shall be inserted, namely:—

Amendment of section 35.

"Provided that the liquidator shall not sell the immovable and movable property or actionable claims of the corporate debtor in liquidation to any person who is not eligible to be a resolution applicant."

8. After section 235 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 235A.

"235A. If any person contravenes any of the provisions of this Code or the rules or regulations made thereunder for which no penalty or punishment is provided in this Code, such person shall be punishable with fine which shall not be less than one lakh rupees but which may extend to two crore rupees."

Punishment where no specific penalty or punishment is provided.

Amendment
of section
240.

9. In section 240 of the principal Act, in sub-section (2),—

(i) after clause (s), the following clause shall be inserted, namely:—

"(sa) other conditions under clause (h) of sub-section (2) of section 25;"

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

"(wa) other requirements under sub-section (4) of section 30;"

Repeal and
savings.

10. (1) The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 is hereby repealed. Ord. 7 of 2017.

(2) Notwithstanding such repeal, anything done or any action taken under the Insolvency and Bankruptcy Code, 2016, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Code, as amended by this Act. 31 of 2016.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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सं० 12]

नई दिल्ली, शुक्रवार, फरवरी 16, 2018/माघ 27, 1939 (शक)

No. 12]

NEW DELHI, FRIDAY, FEBRUARY 16, 2018/MAGHA 27, 1939 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 16th February, 2018/Magha 27, 1939 (Saka)

CORRIGENDA

IN THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (AMENDMENT) ACT, 2017

No. 7 OF 2018

In the NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (AMENDMENT) ACT, 2017 (No. 7 OF 2018) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 7, dated 19th January, 2018,—

- (i) at page 1, in main title, for “Act, 2017”, read “Act, 2018”;
- (ii) at Page 2, in line 26, for “Act, 2017”, read “Act, 2018”.

CORRIGENDUM

THE INSOLVENCY AND BANKRUPTCY CODE (AMENDMENT) ACT, 2017

No. 8 OF 2018

In the INSOLVENCY AND BANKRUPTCY CODE (AMENDMENT) ACT, 2017 (No. 8 OF 2018) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 8, dated the 19th January, 2018, at page No. 1, in main title, for “Act, 2017”, read “Act, 2018”.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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सं० 9] नई दिल्ली, शुक्रवार, जनवरी 19, 2018/पौष 29, 1939 (शक)
No. 9] NEW DELHI, FRIDAY, JANUARY 19, 2018/PAUSHA 29, 1939 (SAKA)

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MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 19th January, 2018/Pausha 29, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 19th January, 2018, and is hereby published for general information:—

THE GOODS AND SERVICES TAX (COMPENSATION TO STATES) AMENDMENT ACT, 2017

No. 9 OF 2018

[19th January, 2018.]

An Act to amend the Goods and Services Tax (Compensation to States)
Act, 2017.

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

1. (1) This Act may be called the Goods and Services Tax (Compensation to States) Amendment Act, 2017. Short title and commencement.

(2) It shall be deemed to have come into force on the 2nd day of September, 2017.

15 of 2017.

2. In the Goods and Services Tax (Compensation to States) Act, 2017, in the Schedule,— Amendment to Schedule.

(i) after serial number 4 and the entries relating thereto, the following serial number and entries shall be inserted, namely:—

(1)	(2)	(3)	(4)
"4A	Motor vehicles for the transport of not more than thirteen persons, including the driver.	8702 10, 8702 20, 8702 30 or 8702 90	Twenty-five per cent. <i>ad valorem</i> ."

(ii) against serial number 5, for the entry in column (4), the entry "Twenty-five per cent. *ad valorem*" shall be substituted.

Repeal and savings.

3. (1) The Goods and Services Tax (Compensation to States) Amendment Ordinance, 2017 is hereby repealed. Ord. 5 of 2017.

(2) Notwithstanding such repeal, anything done or any action taken under the Goods and Services Tax (Compensation to States) Act, 2017, as amended by the said Ordinance, shall be deemed to have been done or taken under the said Act as amended by this Act. 15 of 2017.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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सं० 10] नई दिल्ली, शनिवार, जनवरी 27, 2018/ माघ 7, 1939 (शक)
No. 10] NEW DELHI, SATURDAY, JANUARY 27, 2018/MAGHA 7, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 27th January, 2018/Magha 7, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 25th January, 2018, and is hereby published for general information:—

THE HIGH COURT AND SUPREME COURT JUDGES (SALARIES AND CONDITIONS OF SERVICE) AMENDMENT ACT, 2018

No. 10 OF 2018

[25th January, 2018.]

An Act further to amend the High Court Judges (Salaries and Conditions of Service) Act, 1954 and the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2018.

Short title and commencement.

(2) Sections 2, 5, 6 and 9 shall be deemed to have come into force on the 1st day of January, 2016. Sections 3 and 7 shall be deemed to have come into force on the 1st day of July, 2017. Sections 4 and 8 shall be deemed to have come into force on the 22nd day of September, 2017.

CHAPTER II

AMENDMENTS OF THE HIGH COURT JUDGES (SALARIES AND
CONDITIONS OF SERVICE) ACT, 1954

Amendment of section 13A. **2.** In the High Court Judges (Salaries and Conditions of Service) Act, 1954 (hereinafter referred to as the High Court Judges Act), in section 13A,— 28 of 1954.

(a) in sub-section (1), for the words "ninety thousand rupees per mensem", the words "two lakh fifty thousand rupees per mensem" shall be substituted;

(b) in sub-section (2), for the words "eighty thousand rupees per mensem", the words "two lakh twenty-five thousand rupees per mensem" shall be substituted.

Amendment of section 22A. **3.** In section 22A of the High Court Judges Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum.

Amendment of section 22C. **4.** In the High Court Judges Act, in section 22C, for the words "fifteen thousand" and "twelve thousand", the words "thirty-four thousand" and "twenty-seven thousand" shall respectively be substituted.

Amendment of First Schedule. **5.** In the First Schedule to the High Court Judges Act,—

(a) in Part I, in paragraph 2,—

(A) in clause (a), for the letters and figures "Rs. 43,890", the letters and figures "Rs. 1,21,575" shall be substituted;

(B) in clause (b), for the letters and figures "Rs. 34,350", the letters and figures "Rs. 96,524" shall be substituted;

(C) in the proviso, for the letters and figures "Rs. 5,40,000" and "Rs. 4,80,000", the letters and figures "Rs. 15,00,000" and "Rs. 13,50,000" shall respectively be substituted;

(b) In Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures "Rs. 16,020", the letters and figures "Rs. 45,016" shall be substituted;

(B) in the proviso, for the letters and figures "Rs. 5,40,000" and "Rs. 4,80,000", the letters and figures "Rs. 15,00,000" and "Rs. 13,50,000" shall respectively be substituted.

CHAPTER III

AMENDMENTS OF THE SUPREME COURT JUDGES (SALARIES AND CONDITIONS OF SERVICE)
ACT, 1958

Amendment of section 12A. **6.** In the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (hereinafter referred to as the Supreme Court Judges Act), in section 12A,— 41 of 1958.

(a) in sub-section (1), for the words "one lakh rupees per mensem", the words "two lakh eighty thousand rupees per mensem" shall be substituted;

(b) in sub-section (2), for the words "ninety thousand rupees per mensem", the words "two lakh fifty thousand rupees per mensem" shall be substituted.

7. In section 23 of the Supreme Court Judges Act, for sub-section (1A), the following sub-section shall be substituted, namely:— Amendment of section 23.

"(1A) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum."

8. In section 23B of the Supreme Court Judges Act, for the words "twenty thousand" and "fifteen thousand", the words "forty-five thousand" and "thirty-four thousand" shall respectively be substituted. Amendment of section 23B.

9. In the Schedule to the Supreme Court Judges Act,— Amendment of the Schedule.

(a) in Part I,—

(i) in paragraph 2—

(A) in clause (b), for the letters and figures "Rs. 12,180", "Rs. 3,69,300", and "Rs. 31,030", the letters and figures "Rs. 34,104", "Rs. 10,34,040", and "Rs. 86,884" shall respectively be substituted;

(B) in the proviso, for the letters and figures "Rs. 6,00,000", the letters and figures "Rs. 16,80,000" shall be substituted;

(ii) in paragraph 3, in the proviso, for the letters and figures "Rs. 5,40,000", the letters and figures "Rs. 15,00,000" shall be substituted;

(b) in Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures "Rs. 16,020", the letters and figures "Rs. 45,016" shall be substituted;

(B) in the proviso, for the letters and figures "Rs. 6,00,000" and "Rs. 5,40,000", the letters and figures "Rs. 16,80,000" and "Rs. 15,00,000" shall respectively be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 32]

नई दिल्ली, गुरुवार, दिसम्बर 21, 2017/ अग्रहायण 30, 1939 (शक)

No. 32] NEW DELHI, THURSDAY, DECEMBER 21, 2017/AGRAHAYANA 30, 1939 (SAKA)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on 21st December, 2017:—

BILL NO. 225 OF 2017

A Bill further to amend the High Court Judges (Salaries and Conditions of Service) Act, 1954 and the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2017.

Short title and commencement.

(2) Sections 2, 5, 6 and 9 shall be deemed to have come into force on the 1st day of January, 2016. Sections 3 and 7 shall be deemed to have come into force on the 1st day of July, 2017. Sections 4 and 8 shall be deemed to have come into force on the 22nd day of September, 2017.

CHAPTER II

AMENDMENTS OF THE HIGH COURT JUDGES (SALARIES AND
CONDITIONS OF SERVICE) ACT, 1954

Amendment of section 13A. **2.** In the High Court Judges (Salaries and Conditions of Service) Act, 1954 (hereinafter referred to as the High Court Judges Act), in section 13A,— 28 of 1954.

(a) in sub-section (1), for the words "ninety thousand rupees per mensem", the words "two lakh fifty thousand rupees per mensem" shall be substituted;

(b) in sub-section (2), for the words "eighty thousand rupees per mensem", the words "two lakh twenty-five thousand rupees per mensem" shall be substituted.

Amendment of section 22A. **3.** In section 22A of the High Court Judges Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum.

Amendment of section 22C. **4.** In the High Court Judges Act, in section 22C, for the words "fifteen thousand" and "twelve thousand", the words "thirty-four thousand" and "twenty-seven thousand" shall respectively be substituted.

Amendment of First Schedule. **5.** In the First Schedule to the High Court Judges Act,—

(a) in Part I, in paragraph 2,—

(A) in clause (a), for the letters and figures "Rs. 43,890", the letters and figures "Rs. 1,21,575" shall be substituted;

(B) in clause (b), for the letters and figures "Rs. 34,350", the letters and figures "Rs. 96,524" shall be substituted;

(C) in the proviso, for the letters and figures "Rs. 5,40,000" and "Rs. 4,80,000", the letters and figures "Rs. 15,00,000" and "Rs. 13,50,000" shall respectively be substituted;

(b) In Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures "Rs. 16,020", the letters and figures "Rs. 45,016" shall be substituted;

(B) in the proviso, for the letters and figures "Rs. 5,40,000" and "Rs. 4,80,000", the letters and figures "Rs. 15,00,000" and "Rs. 13,50,000" shall respectively be substituted.

CHAPTER III

AMENDMENTS OF THE SUPREME COURT JUDGES (SALARIES AND CONDITIONS OF SERVICE)
ACT, 1958

Amendment of section 12A. **6.** In the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 (hereinafter referred to as the Supreme Court Judges Act), in section 12A,— 41 of 1958.

(a) in sub-section (1), for the words "one lakh rupees per mensem", the words "two lakh eighty thousand rupees per mensem" shall be substituted;

(b) in sub-section (2), for the words "ninety thousand rupees per mensem", the words "two lakh fifty thousand rupees per mensem" shall be substituted.

7. In section 23 of the Supreme Court Judges Act, for sub-section (1A), the following sub-section shall be substituted, namely:— Amendment of section 23.

"(1A) Where a Judge does not avail himself of the use of an official residence, he may be paid every month an allowance equivalent to an amount of twenty-four per centum of the salary which shall be increased at the rate of—

(a) twenty-seven per centum, when Dearness Allowance crosses twenty-five per centum; and

(b) thirty per centum, when Dearness Allowance crosses fifty per centum."

8. In section 23B of the Supreme Court Judges Act, for the words "twenty thousand" and "fifteen thousand", the words "forty-five thousand" and "thirty-four thousand" shall respectively be substituted. Amendment of section 23B.

9. In the Schedule to the Supreme Court Judges Act,— Amendment of the Schedule.

(a) in Part I, in paragraph 2,—

(A) in clause (b), for the letters and figures "Rs. 12,180", "Rs. 3,69,300", and "Rs. 31,030", the letters and figures "Rs. 34,104", "Rs. 10,34,040", and "Rs. 86,884" shall respectively be substituted;

(B) in the proviso, for the letters and figures "Rs. 6,00,000", the letters and figures "Rs. 16,80,000" shall be substituted;

(C) in the proviso to paragraph 3, for the letters and figures "Rs. 5,40,000", the letters and figures "Rs. 15,00,000" shall be substituted;

(b) In Part III, in paragraph 2,—

(A) in clause (b), for the letters and figures "Rs. 16,020", the letters and figures "Rs. 45,016" shall be substituted;

(B) in the proviso, for the letters and figures "Rs. 6,00,000" and "Rs. 5,40,000", the letters and figures "Rs. 16,80,000" and "Rs. 15,00,000" shall respectively be substituted.

STATEMENT OF OBJECTS AND REASONS

The salaries, allowances and pensions of the Judges of the Supreme Court and High Court were last revised with effect from 1st January, 2006, as per the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2009. The Seventh Central Pay Commission recommended revision in the salaries and pensionary benefits of the Central Government employees including the members of All India Services. The Government has accepted the majority of the recommendations of the Commission and issued orders. The revised pension rules have come into force on the 1st day of January, 2016.

2. The need to increase the salaries, allowances and pension of the Judges of the Supreme Court and the High Courts has been necessitated because of the increase in the salaries, allowances and pensions of the Central Government employees on acceptance of the recommendations of the Seventh Central Pay Commission by the Government.

3. The High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Bill, 2017 seeks to revise the salaries of the Judges with effect from the 1st day of January, 2016, as follows:—

Chief Justice of India	— from Rs. 1,00,000/- per month to Rs. 2,80,000/- per month
Judges of Supreme Court	— from Rs. 90,000/- per month to Rs. 2,50,000/- per month
Chief Justice of High Court	— from Rs. 90,000/- per month to Rs. 2,50,000/- per month
Judges of the High Courts	— from Rs. 80,000/- per month to Rs. 2,25,000/- per month

The Bill also seeks to revise the rates of House Rent Allowance with effect from 1st July, 2017 and the rates of sumptuary allowance with effect from 22nd day of September, 2017.

4. The rates of pension of the Judges of the High Court and the Supreme Court were last enhanced with effect from the 1st January, 2006 by the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Act, 2009. The Seventh Central Pay Commission recommended revision in the pay and pensionary benefits of the Central Government employees including the members of the All India Services. The revised pension rules have come into force on the 1st day of January, 2016. It is, therefore, necessary to increase suitably the existing pension and maximum pension of the Judges of the High Courts and the Supreme Court.

5. Based on the recommendations of the Seventh Central Pay Commission, the Central Government has decided to grant additional quantum of pension and family pension with reference to the age of the Central Government pensioner and family pensioner. On the same analogy, it has been decided to extend the similar benefit to all retired Judges.

6. The Bill seeks to achieve the above objectives.

NEW DELHI:
The 11th December, 2017.

RAVI SHANKAR PRASAD.

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

[Letter No. L-11017/1/2016-Jus. from Shri Ravi Shankar Prasad, Minister of Law and Justice to the Secretary General, Lok Sabha.]

The President, having been informed of the subject matter of the High Court and Supreme Court Judges (Salaries and Conditions of Service) Amendment Bill, 2017, recommends the introduction and consideration of the Bill in Lok Sabha under article 117(1) and (3) of the Constitution.

FINANCIAL MEMORANDUM

The Bill seeks to amend the High Court Judges (Salaries and Conditions of Service) Act, 1954 and the Supreme Court Judges (Salaries and Conditions of Service) Act, 1958 so as to revise the salaries of the Chief Justice of India, Judges of the Supreme Court, Chief Justice of High Courts and Judges of High Courts.

2. The Bill also seeks to revise the pension, family pension and sumptuary allowance of the Judges of the Supreme Court and High Courts.

3. The additional expenditure in respect of the Judges of the High Court is to be borne by the concerned State Governments under article 290 of the Constitution of India. The Bill, if enacted and brought into operation, will involve an additional expenditure of approximately Rs. 20 crore out of which a recurring expenditure of Rs. 12 crore per annum for payment of salary and Rs. 8 crore as non-recurring expenditure towards arrears of salaries, pension and family pension from the Consolidated Fund of India.

4. The Bill does not involve any other expenditure of either recurring or non-recurring nature.



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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 11] नई दिल्ली, शनिवार, जनवरी 27, 2018/ माघ 7, 1939 (शक)
No. 11] NEW DELHI, SATURDAY, JANUARY 27, 2018/MAGHA 7, 1939 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 27th January, 2018/Magha 7, 1939 (Saka)

The following Act of Parliament received the assent of the President on the 25th January, 2018, and is hereby published for general information:—

THE APPROPRIATION ACT, 2018

No. 11 OF 2018

[25th January, 2018.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2017-18.

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

1. This Act may be called the Appropriation Act, 2018. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of eighty thousand crore rupees towards defraying the several charges which will come in course of payment during the financial year 2017-18 in respect of the services specified in column 2 of the Schedule. Issue of
Rs. 80000,00,00,000
out of the
Consolidated
Fund of India
for the financial
year
2017-18.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.

THE SCHEDULE
(See sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
31	Department of Financial Services Capital	Rs. 80000,00,00,000	Rs. ..	Rs. 80000,00,00,000
	TOTAL:	80000,00,00,000	..	80000,00,00,000

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 16] नई दिल्ली, बृहस्पतिवार, मार्च 29, 2018/चैत्र 8, 1940 (शक)
No. 16] NEW DELHI, THURSDAY, MARCH 29, 2018/CHAITRA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 28th March, 2018, and is hereby published for general information:—

THE PAYMENT OF GRATUITY (AMENDMENT) ACT, 2018

No. 12 OF 2018

[28th March, 2018.]

An Act further to amend the Payment of Gratuity Act, 1972.

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

1. (1) This Act may be called the Payment of Gratuity (Amendment) Act, 2018.

Short title and commencement.

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

39 of 1972.

2. In the Payment of Gratuity Act, 1972 (hereinafter referred to as the principal Act), in section 2, for clause (k), the following clause shall be substituted, namely:—

Amendment of section 2.

'(k) "notification" means a notification published in the Official Gazette and the expression "notified" shall be construed accordingly;'

3. In section 2A of the principal Act, in sub-section (2), in the *Explanation*, in clause (iv), for the words "twelve weeks", the words "such period as may be notified by the Central Government from time to time" shall be substituted.

Amendment of section 2A.

Amendment of
section 4.

4. In section 4 of the principal Act, in sub-section (3), for the words "ten lakh rupees", the words "such amount as may be notified by the Central Government from time to time" shall be substituted.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 17] नई दिल्ली, बृहस्पतिवार, मार्च 29, 2018/चैत्र 8, 1940 (शक)
No. 17] NEW DELHI, THURSDAY, MARCH 29, 2018/CHAITRA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th March, 2018, and is hereby published for general information:—

THE FINANCE ACT, 2018

No. 13 OF 2018

[28th March, 2018.]

An Act to give effect to the financial proposals of the Central Government for the financial year 2018-2019.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance Act, 2018. Short title and commencement.
(2) Save as otherwise provided in this Act, sections 2 to 55 shall come into force on the 1st day of April, 2018.

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2018, income-tax shall be charged at the rates specified Income-tax.

in Part I of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds two lakh fifty thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words “two lakh fifty thousand rupees”, the words “three lakh rupees” had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part I of the First Schedule, the provisions of this sub-section shall have effect as if for the words “two lakh fifty thousand rupees”, the words “five lakh rupees” had been substituted.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (IA) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (I) or the rates as specified in that Chapter or section, as the case may be:

43 of 1961.

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, the amount of income-tax

computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(ii) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax;

(b) in the case of every co-operative society or firm or local authority, at the rate of twelve per cent. of such income-tax, where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such income-tax, where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such income-tax, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such income-tax, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(i) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(ii) one crore rupees, the total amount payable as income-tax and surcharge thereon shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as income-tax on such income and surcharge thereon shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as income-tax on such income and surcharge thereon, shall not exceed the total amount payable as income-tax and surcharge on a total

income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such income-tax.

(4) In cases in which tax has to be charged and paid under section 115-O or section 115QA or sub-section (2) of section 115R or section 115TA or section 115TD of the Income-tax Act, the tax shall be charged and paid at the rates as specified in those sections and shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twelve per cent. of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased by a surcharge, for the purposes of the Union, calculated in cases wherever prescribed, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 192A, 194C, 194DA, 194E, 194EE, 194F, 194G, 194H, 194-I, 194-IA, 194-IB, 194-IC, 194J, 194LA, 194LB, 194LBA, 194LBB, 194LBC, 194LC, 194LD, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased by a surcharge, for the purposes of the Union, calculated, in cases wherever prescribed, in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act,

the collection shall be made at the rates specified in that section and shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

(i) at the rate of ten per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees;

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees;

(c) in the case of every company, other than a domestic company, calculated,—

(i) at the rate of two per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such tax, where the amount or the aggregate of such amounts collected and subject to the collection exceeds ten crore rupees.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head “Salaries” under section 192 of the said Act or in which the “advance tax” payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, “advance tax” shall be charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax shall be increased by a surcharge, for the purposes of the Union, calculated in such cases and in such manner as provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, “advance tax” shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of “advance tax” computed in accordance with the provisions of section 111A or section 112 or section 112A of the Income-tax Act shall be increased by a surcharge, for the purposes of the Union, as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule:

Provided also that in respect of any income chargeable to tax under section 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BA, 115BB, 115BBA, 115BBC, 115BBD, 115BBDA, 115BBF, 115BBG, 115E, 115JB or 115JC of the Income-tax Act, “advance tax” computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(i) at the rate of ten per cent. of such “advance tax”, where the total

income exceeds fifty lakh rupees but does not exceed one crore rupees;

(ii) at the rate of fifteen per cent. of such “advance tax”, where the total income exceeds one crore rupees;

(b) in the case of every co-operative society or firm or local authority at the rate of twelve per cent. of such “advance tax”, where the total income exceeds one crore rupees;

(c) in the case of every domestic company,—

(i) at the rate of seven per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of twelve per cent. of such “advance tax”, where the total income exceeds ten crore rupees;

(d) in the case of every company, other than a domestic company,—

(i) at the rate of two per cent. of such “advance tax”, where the total income exceeds one crore rupees but does not exceed ten crore rupees;

(ii) at the rate of five per cent. of such “advance tax”, where the total income exceeds ten crore rupees:

Provided also that in the case of persons mentioned in (a) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds,—

(a) fifty lakh rupees but does not exceed one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of persons mentioned in (b) above, having total income chargeable to tax under section 115JC of the Income-tax Act, and such income exceeds one crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds one crore rupees but does not exceed ten crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon, shall not exceed the total amount payable as “advance tax” on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided also that in the case of every company having total income chargeable to tax under section 115JB of the Income-tax Act, and such income exceeds ten crore rupees, the total amount payable as “advance tax” on such income and surcharge thereon, shall not exceed the total amount payable as “advance tax” and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees:

Provided also that in respect of any income chargeable to tax under clause (i) of sub-section (1) of section 115BBE of the Income-tax Act, the “advance tax” computed under the first proviso shall be increased by a surcharge, for the purposes of the Union, calculated at the rate of twenty-five per cent. of such “advance tax”.

(10) In cases to which Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year,

in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds two lakh fifty thousand rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first two lakh fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of two lakh fifty thousand rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that in the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year, referred to in item (II) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "three lakh rupees" had been substituted:

Provided further that in the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year, referred to in item (III) of Paragraph A of Part III of the First Schedule, the provisions of this sub-section shall have effect as if for the words "two lakh fifty thousand rupees", the words "five lakh rupees" had been substituted:

Provided also that the amount of income-tax or "advance tax" so arrived at, shall be increased by a surcharge for the purposes of the Union, calculated in each case, in the manner provided therein.

(11) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the "Education Cess on income-tax", calculated at the rate of two per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance universalised quality basic education.

(12) The amount of income-tax as specified in sub-sections (1) to (3) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall also be increased by an additional surcharge, for the purposes of the Union, to be called the "Secondary and Higher Education Cess on income-tax", calculated at the rate of one per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance secondary and higher education.

(13) The amount of income-tax as specified in sub-sections (4) to (10) and as increased by the applicable surcharge, for the purposes of the Union, calculated in the manner provided therein, shall be further increased by an additional surcharge, for the purposes of the Union, to be called the “Health and Education Cess on income-tax”, calculated at the rate of four per cent. of such income-tax and surcharge so as to fulfil the commitment of the Government to provide and finance quality health services and universalised quality basic education and secondary and higher education:

Provided that nothing contained in this sub-section shall apply to cases in which tax is to be deducted or collected under the sections of the Income-tax Act mentioned in sub-sections (5), (6), (7) and (8), if the income subjected to deduction of tax at source or collection of tax at source is paid to a domestic company and any other person who is resident in India.

(14) For the purposes of this section and the First Schedule,—

(a) “domestic company” means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act, for the assessment year commencing on the 1st day of April, 2018, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) “insurance commission” means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) “net agricultural income” in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

Amendment
of section 2.

3. In section 2 of the Income-tax Act,—

(a) in clause (22), after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

“*Explanation 2A*.—In the case of an amalgamated company, the accumulated profits, whether capitalised or not, or loss, as the case may be, shall be increased by the accumulated profits, whether capitalised or not, of the amalgamating company on the date of amalgamation.”;

(b) with effect from the 1st day of April, 2019,—

(i) in clause (24),—

(A) after sub-clause (xii), the following sub-clause shall be inserted, namely:—

“(xiii) the fair market value of inventory referred to in clause (via) of section 28;”;

(B) after sub-clause (xvii), the following sub-clause shall be inserted, namely:—

“(xvii) any compensation or other payment referred to in clause (xi) of sub-section (2) of section 56;”;

(ii) in clause (42A),—

(A) in *Explanation 1*, in clause (i), after sub-clause (b), the following sub-clause shall be inserted namely:—

“(ba) in the case of a capital asset referred to in clause (via) of section 28, the period shall be reckoned from the date of its conversion or treatment;”;

(B) in *Explanation 4*, for the words, brackets and figures "the *Explanation* to clause (38) of section 10", the words, brackets, letters and figures "clause (a) of the *Explanation* to section 112A" shall be substituted.

4. In section 9 of the Income-tax Act, in sub-section (I), in clause (i), with effect from the 1st day of April, 2019,—

Amendment
of section 9.

(I) in *Explanation 2*, for clause (a), the following clause shall be substituted, namely:—

“(a) has and habitually exercises in India, an authority to conclude contracts on behalf of the non-resident or habitually concludes contracts or habitually plays the principal role leading to conclusion of contracts by that non-resident and the contracts are—

(i) in the name of the non-resident; or

(ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that non-resident or that non-resident has the right to use; or

(iii) for the provision of services by the non-resident; or”;

(II) after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

‘*Explanation 2A*.—For the removal of doubts, it is hereby clarified that the significant economic presence of a non-resident in India shall constitute “business connection” in India and “significant economic presence” for this purpose, shall mean—

(a) transaction in respect of any goods, services or property carried out by a non-resident in India including provision of download of data or software in India, if the aggregate of payments arising from such transaction or transactions during the previous year exceeds such amount as may be prescribed; or

(b) systematic and continuous soliciting of business activities or engaging in interaction with such number of users as may be prescribed, in India through digital means:

Provided that the transactions or activities shall constitute significant economic presence in India, whether or not,—

(i) the agreement for such transactions or activities is entered in India;

(ii) the non-resident has a residence or place of business in India; or

(iii) the non-resident renders services in India:

Provided further that only so much of income as is attributable to the transactions or activities referred to in clause (a) or clause (b) shall be deemed to accrue or arise in India.’

5. In section 10 of the Income-tax Act,—

Amendment
of section 10.

(a) after clause (6C), the following clause shall be inserted, namely:—

“(6D) any income arising to a non-resident, not being a company, or a foreign company, by way of royalty from, or fees for technical services rendered in or outside India to, the National Technical Research Organisation;”;

(b) with effect from the 1st day of April, 2019,—

(i) in clause (12A), for the word “employee”, the word “assessee” shall be substituted;

(ii) in clause (23C), after the twelfth proviso [as inserted by section 6 of the Finance Act, 2017], the following proviso shall be inserted, namely:— 7 of 2017.

‘Provided also that for the purposes of determining the amount of application under item (a) of the third proviso, the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.’;

(iii) in clause (38), after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that nothing contained in this clause shall apply to any income arising from the transfer of long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust, made on or after the 1st day of April, 2018.”;

(c) in clause (46), after the brackets and words “(by whatever name called)” at both the places where they occur, the words “, or a class thereof” shall be inserted;

(d) in clause (48B) [as inserted by section 6 of the Finance Act, 2017], after the word, brackets, figures and letter “clause (48A)”, the words “or on termination of the said agreement or the arrangement, in accordance with the terms mentioned therein, as the case may be,” shall be inserted with effect from the 1st day of April, 2019. 7 of 2017.

Amendment of section 11. **6.** In section 11 of the Income-tax Act, in sub-section (1), after *Explanation 2* [as inserted by section 11 of the Finance Act, 2017], the following *Explanation* shall be inserted with effect from the 1st day of April, 2019, namely:— 7 of 2017.

Explanation 3.—For the purposes of determining the amount of application under clause (a) or clause (b), the provisions of sub-clause (ia) of clause (a) of section 40 and sub-sections (3) and (3A) of section 40A, shall, *mutatis mutandis*, apply as they apply in computing the income chargeable under the head “Profits and gains of business or profession”.’.

Amendment of section 16. **7.** In section 16 of the Income-tax Act, after clause (i) [as omitted by section 6 of the Finance Act, 2005], the following clause shall be inserted with effect from the 1st day of April, 2019, namely:— 18 of 2005.

“(ia) a deduction of forty thousand rupees or the amount of the salary, whichever is less;”.

Amendment of section 17. **8.** In section 17 of the Income-tax Act, in clause (2), in the proviso occurring after sub-clause (viii), clause (v) shall be omitted with effect from the 1st day of April, 2019.

Amendment of section 28. **9.** In section 28 of the Income-tax Act, with effect from the 1st day of April, 2019,—

(I) in clause (ii), after sub-clause (d), the following sub-clause shall be inserted, namely:—

“(e) any person, by whatever name called, at or in connection with the termination or the modification of the terms and conditions, of any contract relating to his business;”;

(II) after clause (vi), the following clause shall be inserted, namely:—

“(via) the fair market value of inventory as on the date on which it is converted into, or treated as, a capital asset determined in the prescribed manner;”.

Amendment of section 36. **10.** In section 36 of the Income-tax Act, in sub-section (1), after clause (xvii), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—

“(xviii) marked to market loss or other expected loss as computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145.”.

- 18 of 1992. **11.** In section 40A of the Income-tax Act, after sub-section (12) [as omitted by section 17 of the Finance Act, 1992], the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—
- Amendment of section 40A.
- “(13) No deduction or allowance shall be allowed in respect of any marked to market loss or other expected loss, except as allowable under clause (xviii) of sub-section (1) of section 36.”.
- 12.** In section 43 of Income-tax Act, with effect from the 1st day of April, 2019,—
- Amendment of section 43.
- (i) in clause (1), after *Explanation* 1, the following *Explanation* shall be inserted, namely:—
- “*Explanation* 1A.—Where a capital asset referred to in clause (via) of section 28 is used for the purposes of business or profession, the actual cost of such asset to the assessee shall be the fair market value which has been taken into account for the purposes of the said clause.”;
- (ii) in clause (5), after the proviso and before *Explanation* 1, the following proviso shall be inserted, namely:—
- “Provided further that for the purposes of clause (e) of the first proviso, in respect of trading in agricultural commodity derivatives, the requirement of chargeability of commodity transaction tax under Chapter VII of the Finance Act, 2013 shall not apply.”.
- 17 of 2013. **13.** After section 43A of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—
- Insertion of new section 43AA.
- “43AA. (1) Subject to the provisions of section 43A, any gain or loss arising on account of any change in foreign exchange rates shall be treated as income or loss, as the case may be, and such gain or loss shall be computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145.
- Taxation of foreign exchange fluctuation.
- (2) For the purposes of sub-section (1), gain or loss arising on account of the effects of change in foreign exchange rates shall be in respect of all foreign currency transactions, including those relating to—
- (i) monetary items and non-monetary items;
- (ii) translation of financial statements of foreign operations;
- (iii) forward exchange contracts;
- (iv) foreign currency translation reserves.”.
- 14.** In section 43CA of the Income-tax Act, with effect from the 1st day of April, 2019,—
- Amendment of section 43CA.
- (a) in sub-section (1), the following proviso shall be inserted, namely:—
- “Provided that where the value adopted or assessed or assessable by the authority for the purpose of payment of stamp duty does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of computing profits and gains from transfer of such asset, be deemed to be the full value of the consideration.”;
- (b) in sub-section (4), for the words “by any mode other than cash”, the words “by way of an account payee cheque or an account payee bank draft or by use of electronic clearing system through a bank account” shall be substituted.
- 15.** After section 43CA of the Income-tax Act, the following section shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—
- Insertion of new section 43CB.
- “43CB. (1) The profits and gains arising from a construction contract or a contract for providing services shall be determined on the basis of percentage of completion method in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145:
- Computation of income from construction and service contracts.

Provided that profits and gains arising from a contract for providing services,—

(i) with duration of not more than ninety days shall be determined on the basis of project completion method;

(ii) involving indeterminate number of acts over a specific period of time shall be determined on the basis of straight line method.

(2) For the purposes of percentage of completion method, project completion method or straight line method referred to in sub-section (1)—

(i) the contract revenue shall include retention money;

(ii) the contract costs shall not be reduced by any incidental income in the nature of interest, dividends or capital gains.”.

Amendment of section 44AE.

16. In section 44AE of the Income-tax Act, with effect from the 1st day of April, 2019,—

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

“(2) For the purposes of sub-section (1), the profits and gains from each goods carriage,—

(i) being a heavy goods vehicle, shall be an amount equal to one thousand rupees per ton of gross vehicle weight or unladen weight, as the case may be, for every month or part of a month during which the heavy goods vehicle is owned by the assessee in the previous year or an amount claimed to have been actually earned from such vehicle, whichever is higher;

(ii) other than heavy goods vehicle, shall be an amount equal to seven thousand five hundred rupees for every month or part of a month during which the goods carriage is owned by the assessee in the previous year or an amount claimed to have been actually earned from such goods carriage, whichever is higher.”;

(b) in the *Explanation*, for clause (a), the following clauses shall be substituted, namely:—

“(a) the expressions “goods carriage”, “gross vehicle weight” and “unladen weight” shall have the respective meanings assigned to them in section 2 of the Motor Vehicles Act, 1988;

(aa) the expression “heavy goods vehicle” means any goods carriage, the gross vehicle weight of which exceeds 12000 kilograms;’.

59 of 1988.

Amendment of section 47.

17. In section 47 of the Income-tax Act, after clause (viiia) [as inserted by section 23 of the Finance Act, 2017], the following clause shall be inserted with effect from the 1st day of April, 2019, namely:—

7 of 2017.

“(viiab) any transfer of a capital asset, being—

(a) bond or Global Depository Receipt referred to in sub-section (1) of section 115AC; or

(b) rupee denominated bond of an Indian company; or

(c) derivative,

made by a non-resident on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

Explanation.— For the purposes of this clause,—

(a) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;

28 of 2005.

(b) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43;

42 of 1956. (c) "derivative" shall have the meaning assigned to it in clause (ac) of section 2 of the Securities Contracts (Regulation) Act, 1956.'

18. In section 48 of the Income-tax Act, after the second proviso, the following proviso shall be inserted, namely:— Amendment of section 48.

"Provided also that nothing contained in the first and second provisos shall apply to the capital gains arising from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A:".

19. In section 49 of the Income-tax Act, after sub-section (8), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely:— Amendment of section 49.

"(9) Where the capital gain arises from the transfer of a capital asset referred to in clause (via) of section 28, the cost of acquisition of such asset shall be deemed to be the fair market value which has been taken into account for the purposes of the said clause."

20. In section 50C of the Income-tax Act, in sub-section (1), after the second proviso, the following proviso shall be inserted with effect from the 1st day of April, 2019, namely:— Amendment of section 50C.

"Provided also that where the value adopted or assessed or assessable by the stamp valuation authority does not exceed one hundred and five per cent. of the consideration received or accruing as a result of the transfer, the consideration so received or accruing as a result of the transfer shall, for the purposes of section 48, be deemed to be the full value of the consideration."

21. In section 54EC of the Income-tax Act, with effect from the 1st day of April, 2019,— Amendment of section 54EC.

(a) in sub-section (1), after the words "long-term capital asset", the words "being land or building or both," shall be inserted;

(b) in sub-section (2), before the *Explanation*, the following proviso shall be inserted, namely:—

'Provided that in case of long-term specified asset referred to in sub-clause (ii) of clause (ba) of the *Explanation* occurring after sub-section (3), this sub-section shall have effect as if for the words "three years", the words "five years" had been substituted.'

(c) in the *Explanation* occurring after sub-section (3), for clause (ba), the following clause shall be substituted, namely:—

'(ba) "long-term specified asset" for making any investment under this section,—

(i) on or after the 1st day of April, 2007 but before the 1st day of April, 2018, means any bond, redeemable after three years and issued on or after the 1st day of April, 2007 but before the 1st day of April, 2018;

(ii) on or after the 1st day of April, 2018, means any bond, redeemable after five years and issued on or after the 1st day of April, 2018,

68 of 1988.
1 of 1956.

by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988 or by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956 or any other bond notified in the Official Gazette by the Central Government in this behalf.'

22. In section 55 of the Income-tax Act, in sub-section (2), after clause (ab), the following clause shall be inserted, namely:— Amendment of section 55.

'(ac) subject to the provisions of sub-clauses (i) and (ii) of clause (b), in relation to a long-term capital asset, being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust referred to in section 112A, acquired before the 1st day of February, 2018, shall be higher of—

(i) the cost of acquisition of such asset; and

(ii) lower of—

(A) the fair market value of such asset; and

(B) the full value of consideration received or accruing as a result of the transfer of the capital asset.

Explanation.—For the purposes of this clause,—

(a) "fair market value" means,—

(i) in a case where the capital asset is listed on any recognised stock exchange as on the 31st day of January, 2018, the highest price of the capital asset quoted on such exchange on the said date:

Provided that where there is no trading in such asset on such exchange on the 31st day of January, 2018, the highest price of such asset on such exchange on a date immediately preceding the 31st day of January, 2018 when such asset was traded on such exchange shall be the fair market value;

(ii) in a case where the capital asset is a unit which is not listed on a recognised stock exchange as on the 31st day of January, 2018, the net asset value of such unit as on the said date;

(iii) in a case where the capital asset is an equity share in a company which is—

(A) not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer;

(B) listed on a recognised stock exchange on the date of transfer and which became the property of the assessee in consideration of share which is not listed on such exchange as on the 31st day of January, 2018 by way of transaction not regarded as transfer under section 47,

an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-2018 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the first day of April, 2001, whichever is later;

(b) "Cost Inflation Index" shall have the meaning assigned to it in clause (v) of the *Explanation* to section 48;

(c) "recognised stock exchange" shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.'.

Amendment
of section 56.

23. In section 56 of the Income-tax Act, in sub-section (2),—

(A) in clause (x),—

(I) in sub-clause (b), for item (B), the following item shall be substituted with effect from the 1st day of April, 2019, namely:—

“(B) for a consideration, the stamp duty value of such property as exceeds such consideration, if the amount of such excess is more than the higher of the following amounts, namely:—

(i) the amount of fifty thousand rupees; and

(ii) the amount equal to five per cent. of the consideration.”;

(II) in the fourth proviso, in clause (IX), after the words, brackets and figure “clause (i) or”, the words, brackets and figures “clause (iv) or clause (v) or” shall be inserted;

(B) after clause (x), the following clause shall be inserted with effect from the 1st day of April, 2019, namely:—

“(xi) any compensation or other payment, due to or received by any person, by whatever name called, in connection with the termination of his employment or the modification of the terms and conditions relating thereto.”.

7 of 2017.	<p>24. In section 79 of the Income-tax Act [as substituted by section 32 of the Finance Act, 2017], after the second proviso, the following proviso shall be inserted, namely:—</p> <p>“Provided also that nothing contained in this section shall apply to a company where a change in the shareholding takes place in a previous year pursuant to a resolution plan approved under the Insolvency and Bankruptcy Code, 2016, after affording a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner.”.</p>	Amendment of section 79.
31 of 2016.	<p>25. For section 80AC of the Income-tax Act, the following section shall be substituted, namely:—</p> <p>‘80AC. Where in computing the total income of an assessee of any previous year relevant to the assessment year commencing on or after—</p> <p>(i) the 1st day of April, 2006 but before the 1st day of April, 2018, any deduction is admissible under section 80-IA or section 80-IAB or section 80-IB or section 80-IC or section 80-ID or section 80-IE;</p> <p>(ii) the 1st day of April, 2018, any deduction is admissible under any provision of this Chapter under the heading “C.—Deductions in respect of certain incomes”,</p> <p>no such deduction shall be allowed to him unless he furnishes a return of his income for such assessment year on or before the due date specified under sub-section (1) of section 139.’.</p>	<p>Substitution of new section for section 80AC.</p> <p>Deduction not to be allowed unless return furnished.</p>
	<p>26. In section 80D of the Income-tax Act, with effect from the 1st day of April, 2019,—</p> <p>(A) in sub-section (2),—</p> <p>(i) for the words “thirty thousand rupees” wherever they occur, the words “fifty thousand rupees” shall be substituted;</p> <p>(ii) in the first proviso occurring after clause (d), the word “very” shall be omitted;</p> <p>(B) in sub-section (3),—</p> <p>(i) for the words “thirty thousand rupees” at both the places where they occur, the words “fifty thousand rupees” shall be substituted;</p> <p>(ii) the word “very” shall be omitted;</p> <p>(C) in sub-section (4),—</p> <p>(i) the words “or a very senior citizen” shall be omitted;</p> <p>(ii) for the words “thirty thousand rupees”, the words “fifty thousand rupees” shall be substituted;</p> <p>(D) after sub-section (4), the following sub-section shall be inserted, namely:—</p> <p>‘(4A) Where the amount specified in clause (a) or clause (b) of sub-section (2) or clause (a) of sub-section (3) is paid in lump sum in the previous year to effect or to keep in force an insurance on the health of any person specified therein for more than a year, then, subject to the provisions of this section, there shall be allowed for each of the relevant previous year, a deduction equal to the appropriate fraction of the amount.</p> <p><i>Explanation.</i>—For the purposes of this sub-section,—</p> <p>(i) “appropriate fraction” means the fraction, the numerator of which is one and the denominator of which is the total number of relevant previous years;</p> <p>(ii) “relevant previous year” means the previous year beginning with the previous year in which such amount is paid and the subsequent previous year or years during which the insurance shall have effect or be in force.’;</p>	Amendment of section 80D.

(E) in the *Explanation* occurring after sub-section (5), clause (ii) shall be omitted.

Amendment
of section
80DDB.

27. In section 80DDB of the Income-tax Act, with effect from the 1st day of April, 2019,—

(a) in the third proviso, for the words “sixty thousand rupees”, the words “one hundred thousand rupees” shall be substituted;

(b) the fourth proviso shall be omitted;

(c) in the *Explanation*, clause (v) shall be omitted.

Amendment
of section
80-IAC.

28. In section 80-IAC of the Income-tax Act, in the *Explanation* below sub-section (4),—

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

‘(i) “eligible business” means a business carried out by an eligible start up engaged in innovation, development or improvement of products or processes or services or a scalable business model with a high potential of employment generation or wealth creation;’;

(b) in clause (ii),—

(i) in sub-clause (a), for the figures “2019”, the figures “2021” shall be substituted;

(ii) in sub-clause (b), for the words, figures and letters “in any of the previous years beginning on or after the 1st day of April, 2016 and ending on the 31st day of March, 2021”, the words, brackets and figure “in the previous year relevant to the assessment year for which deduction under sub-section (1) is claimed” shall be substituted.

Amendment
of section
80JJAA.

29. In section 80JJAA of the Income-tax Act, in the *Explanation* occurring after sub-section (2), in clause (ii), with effect from the 1st day of April, 2019,—

(a) in the proviso, after the words “manufacturing of apparel”, the words “or footwear or leather products” shall be inserted;

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

“Provided further that where an employee is employed during the previous year for a period of less than two hundred and forty days or one hundred and fifty days, as the case may be, but is employed for a period of two hundred and forty days or one hundred and fifty days, as the case may be, in the immediately succeeding year, he shall be deemed to have been employed in the succeeding year and the provisions of this section shall apply accordingly;”.

Insertion of
new section
80PA.

30. After section 80P of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Deduction in
respect of
certain income
of Producer
Companies.

‘80PA. (1) Where the gross total income of an assessee, being a Producer Company having a total turnover of less than one hundred crore rupees in any previous year, includes any profits and gains derived from eligible business, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction of an amount equal to one hundred per cent. of the profits and gains attributable to such business for the previous year relevant to an assessment year commencing on or after the 1st day of April, 2019, but before the 1st day of April, 2025.

(2) In a case where the assessee is entitled also to deduction under any other provision of this Chapter, the deduction under this section shall be allowed with reference to the income, if any, as referred to in this section included in the gross total income as reduced by the deductions under such other provision of this Chapter.

Explanation.—For the purposes of this section,—

(i) “eligible business” means—

(a) the marketing of agricultural produce grown by the members; or

(b) the purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to the members; or

(c) the processing of the agricultural produce of the members;

1 of 1956.

(ii) "member" shall have the meaning assigned to it in clause (d) of section 581A of the Companies Act, 1956;

1 of 1956.

(iii) "Producer Company" shall have the meaning assigned to it in clause (l) of section 581A of the Companies Act, 1956.'.

31. In section 80TTA of the Income-tax Act, in sub-section (1), in the opening portion, after the word "assessee", the brackets, words, figures and letters "(other than the assessee referred to in section 80TTB)" shall be inserted with effect from the 1st day of April, 2019.

Amendment of section 80TTA.

32. After section 80TTA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Insertion of new section 80TTB.

'80TTB. (1) Where the gross total income of an assessee, being a senior citizen, includes any income by way of interest on deposits with—

Deduction in respect of interest on deposits in case of senior citizens.

10 of 1949.

(a) a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act);

(b) a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank); or

6 of 1898.

(c) a Post Office as defined in clause (k) of section 2 of the Indian Post Office Act, 1898,

there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction—

(i) in a case where the amount of such income does not exceed in the aggregate fifty thousand rupees, the whole of such amount; and

(ii) in any other case, fifty thousand rupees.

(2) Where the income referred to in sub-section (1) is derived from any deposit held by, or on behalf of, a firm, an association of persons or a body of individuals, no deduction shall be allowed under this section in respect of such income in computing the total income of any partner of the firm or any member of the association or any individual of the body.

Explanation.—For the purposes of this section, "senior citizen" means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year.'

33. After section 112 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2019, namely:—

Insertion of new section 112A.

'112A. (1) Notwithstanding anything contained in section 112, the tax payable by an assessee on his total income shall be determined in accordance with the provisions of sub-section (2), if—

Tax on long-term capital gains in certain cases.

(i) the total income includes any income chargeable under the head "Capital gains";

(ii) the capital gains arise from the transfer of a long-term capital asset being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust;

23 of 2004.

(iii) securities transaction tax under Chapter VII of the Finance (No.2) Act, 2004 has,—

(a) in a case where the long-term capital asset is in the nature of an equity share in a company, been paid on acquisition and transfer of such capital asset; or

(b) in a case where the long-term capital asset is in the nature of a unit of an equity oriented fund or a unit of a business trust, been paid on transfer of such capital asset.

(2) The tax payable by the assessee on the total income referred to in sub-section (1) shall be the aggregate of—

(i) the amount of income-tax calculated on such long-term capital gains exceeding one lakh rupees at the rate of ten per cent.; and

(ii) the amount of income-tax payable on the total income as reduced by the amount of long-term capital gains referred to in sub-section (1) as if the total income so reduced were the total income of the assessee:

Provided that in the case of an individual or a Hindu undivided family, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, the long-term capital gains, for the purposes of clause (i), shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax.

(3) The condition specified in clause (iii) of sub-section (1) shall not apply to a transfer undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transfer is received or receivable in foreign currency.

(4) The Central Government may, by notification in the Official Gazette, specify the nature of acquisition in respect of which the provisions of sub-clause (a) of clause (iii) of sub-section (1) shall not apply.

(5) Where the gross total income of an assessee includes any long-term capital gains referred to in sub-section (1), the deduction under Chapter VI-A shall be allowed from the gross total income as reduced by such capital gains.

(6) Where the total income of an assessee includes any long-term capital gains referred to in sub-section (1), the rebate under section 87A shall be allowed from the income-tax on the total income as reduced by tax payable on such capital gains.

Explanation.—For the purposes of this section,—

(a) “equity oriented fund” means a fund set up under a scheme of a mutual fund specified under clause (23D) of section 10 and,—

(i) in a case where the fund invests in the units of another fund which is traded on a recognised stock exchange,—

(A) a minimum of ninety per cent. of the total proceeds of such fund is invested in the units of such other fund; and

(B) such other fund also invests a minimum of ninety per cent. of its total proceeds in the equity shares of domestic companies listed on a recognised stock exchange; and

(ii) in any other case, a minimum of sixty-five per cent. of the total proceeds of such fund is invested in the equity shares of domestic companies listed on a recognised stock exchange:

Provided that the percentage of equity shareholding or unit held in respect of the fund, as the case may be, shall be computed with reference to the annual average of the monthly averages of the opening and closing figures;

(b) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;

(c) “recognised stock exchange” shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43.’

- 34.** In section 115AD of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2019,—
- (a) in clause (iii), the word “and” occurring at the end shall be omitted;
- (b) after clause (iii), the following proviso shall be inserted, namely:—
- “Provided that in case of income arising from the transfer of a long-term capital asset referred to in section 112A, income-tax at the rate of ten per cent. shall be calculated on such income exceeding one lakh rupees; and”.
- Amendment of section 115AD.
- 35.** In section 115BA of the Income-tax Act, in sub-section (1), for the words, figures and letter “provisions of section 111A and section 112”, the words “other provisions of this Chapter” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.
- Amendment of section 115BA.
- 36.** In section 115BBE of the Income-tax Act, in sub-section (2), after the word, brackets and letter “clause (a)”, the words, brackets and letter “and clause (b)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017.
- Amendment of section 115BBE.
- 37.** In section 115JB of the Income-tax Act,—
- (a) in *Explanation 1*,—
- (A) after clause (iig), the following clause shall be inserted, namely:—
- ‘(iih) the aggregate amount of unabsorbed depreciation and loss brought forward in case of a company against whom an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016.
- Explanation.*—For the purposes of this clause, the expression “Adjudicating Authority” shall have the meaning assigned to it in clause (1) of section 5 of the Insolvency and Bankruptcy Code, 2016 and the loss shall not include depreciation; or’;
- (B) in clause (iii), after the words “books of account”, the words, brackets, figures and letter “in case of a company other than the company referred to in clause (iih)” shall be inserted;
- (b) after *Explanation 4*, the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2001, namely:—
- “*Explanation 4A.*—For the removal of doubts, it is hereby clarified that the provisions of this section shall not be applicable and shall be deemed never to have been applicable to an assessee, being a foreign company, where its total income comprises solely of profits and gains from business referred to in section 44B or section 44BB or section 44BBA or section 44BBB and such income has been offered to tax at the rates specified in those sections.”.
- Amendment of section 115JB.
- 38.** In section 115JC of the Income-tax Act, after sub-section (3), the following sub-section shall be inserted with effect from the 1st day of April, 2019, namely:—
- ‘(4) Notwithstanding anything contained in sub-section (1), where the person referred to therein, is a unit located in an International Financial Services Centre and derives its income solely in convertible foreign exchange, the provisions of sub-section (1) shall have effect as if for the words “eighteen and one-half per cent.”, the words “nine per cent.” had been substituted.’.
- Amendment of section 115JC.
- 39.** In section 115JF of the Income-tax Act, with effect from the 1st day of April, 2019,—
- (i) for clause (b), the following clause shall be substituted, namely:—
- ‘(b) “alternate minimum tax” means the amount of tax computed on adjusted total income,—
- Amendment of section 115JF.

31 of 2016.

31 of 2016.

(i) in case of an assessee being a unit referred to in sub-section (4) of section 115JC, at a rate of nine per cent.;

(ii) in any other case, at a rate of eighteen and one-half per cent.;

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

‘(ba) “convertible foreign exchange” means a foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purpose of the Foreign Exchange Management Act, 1999 and the rules made thereunder;’ 42 of 1999.

‘(bb) “International Financial Services Centre” shall have the meaning assigned to it in clause (q) of section 2 of the Special Economic Zones Act, 2005;’ 28 of 2005.

(iii) after clause (d), the following clause shall be inserted, namely:—

‘(e) “unit” means a unit established in an International Financial Services Centre.’

Amendment of section 115-O.

40. In section 115-O of the Income-tax Act,—

(a) in sub-section (I), the following proviso shall be inserted, namely:—

‘Provided that in respect of dividend referred to in sub-clause (e) of clause (22) of section 2, this sub-section shall have effect as if for the words “fifteen per cent.”, the words “thirty per cent.” had been substituted;’

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

“Provided that this sub-section shall not apply in respect of dividend referred to in sub-clause (e) of clause (22) of section 2.”.

Omission of Explanation occurring after section 115Q.

41. After section 115Q of the Income-tax Act, the *Explanation* shall be omitted.

Amendment of section 115R.

42. In section 115R of the Income-tax Act, in sub-section (2),—

(A) for clause (i) to clause (iii), the following clauses shall be substituted, namely:—

“(i) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a money market mutual fund or a liquid fund;

(ii) thirty per cent. on income distributed to any other person by a money market mutual fund or a liquid fund;

(iii) ten per cent. on income distributed to any person by an equity oriented fund;

(iv) twenty-five per cent. on income distributed to any person being an individual or a Hindu undivided family by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund; and

(v) thirty per cent. on income distributed to any other person by a fund other than a money market mutual fund or a liquid fund or an equity oriented fund.”;

(B) in the second proviso, clause (b) shall be omitted.

Amendment of section 115T.

43. In the *Explanation* occurring after section 115T of the Income-tax Act, for clause (b), the following clause shall be substituted, namely:—

‘(b) “equity oriented fund” means a fund referred to in clause (a) of the *Explanation* to section 112A and the Unit Scheme, 1964 made by the Unit Trust of India;’

44. In section 139A of the Income-tax Act,—Amendment of
section 139A.

(A) in sub-section (J),—

(a) in clause (iv), the word “or” shall be inserted at the end;

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

“(v) being a resident, other than an individual, which enters into a financial transaction of an amount aggregating to two lakh fifty thousand rupees or more in a financial year; or

(vi) who is the managing director, director, partner, trustee, author, founder, *karta*, chief executive officer, principal officer or office bearer of the person referred to in clause (v) or any person competent to act on behalf of the person referred to in clause (v),”;

(B) in the *Explanation* occurring after sub-section (8), in clause (c), the words “and issued in the form of a laminated card” shall be omitted.**45.** In section 140 of the Income-tax Act, in clause (c), in the second proviso,—Amendment of
section 140.

(A) in clause (b), after the words “principal officer thereof;” occurring at the end, the word “or” shall be inserted;

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

‘(c) where in respect of a company, an application for corporate insolvency resolution process has been admitted by the Adjudicating Authority under section 7 or section 9 or section 10 of the Insolvency and Bankruptcy Code, 2016, the return shall be verified by the insolvency professional appointed by such Adjudicating Authority.

31 of 2016.

Explanation.—For the purposes of this clause the expressions “insolvency professional” and “Adjudicating Authority” shall have the respective meanings assigned to them in clause (18) of section 3 and clause (I) of section 5 of the Insolvency and Bankruptcy Code, 2016;’

31 of 2016.

46. In section 143 of the Income-tax Act,—Amendment of
section 143.

(a) in sub-section (I), in clause (a), after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that no adjustment shall be made under sub-clause (vi) in relation to a return furnished for the assessment year commencing on or after the 1st day of April, 2018;”;

(b) after sub-section (3), the following sub-sections shall be inserted, namely:—

“(3A) The Central Government may make a scheme, by notification in the Official Gazette, for the purposes of making assessment of total income or loss of the assessee under sub-section (3) so as to impart greater efficiency, transparency and accountability by—

(a) eliminating the interface between the Assessing Officer and the assessee in the course of proceedings to the extent technologically feasible;

(b) optimising utilisation of the resources through economies of scale and functional specialisation;

(c) introducing a team-based assessment with dynamic jurisdiction.

(3B) The Central Government may, for the purpose of giving effect to the scheme made under sub-section (3A), by notification in the Official Gazette, direct that any of the provisions of this Act relating to assessment of total income or loss shall not apply or shall apply with such exceptions, modifications and adaptations as may be specified in the notification:

Provided that no direction shall be issued after the 31st day of March, 2020.

(3C) Every notification issued under sub-section (3A) and sub-section (3B) shall, as soon as may be after the notification is issued, be laid before each House of Parliament.”.

Substitution of new sections 145A and 145B for section 145A.

47. For section 145A of the Income-tax Act, the following sections shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely:—

Method of accounting in certain cases.

‘145A. For the purpose of determining the income chargeable under the head “Profits and gains of business or profession”,—

(i) the valuation of inventory shall be made at lower of actual cost or net realisable value computed in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145;

(ii) the valuation of purchase and sale of goods or services and of inventory shall be adjusted to include the amount of any tax, duty, cess or fee (by whatever name called) actually paid or incurred by the assessee to bring the goods or services to the place of its location and condition as on the date of valuation;

(iii) the inventory being securities not listed on a recognised stock exchange, or listed but not quoted on a recognised stock exchange with regularity from time to time, shall be valued at actual cost initially recognised in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145;

(iv) the inventory being securities other than those referred to in clause (iii), shall be valued at lower of actual cost or net realisable value in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145:

Provided that the inventory being securities held by a scheduled bank or public financial institution shall be valued in accordance with the income computation and disclosure standards notified under sub-section (2) of section 145 after taking into account the extant guidelines issued by the Reserve Bank of India in this regard:

Provided further that the comparison of actual cost and net realisable value of securities shall be made category-wise.

Explanation 1.—For the purposes of this section, any tax, duty, cess or fee (by whatever name called) under any law for the time being in force, shall include all such payment notwithstanding any right arising as a consequence to such payment.

Explanation 2.—For the purposes of this section,—

(a) "public financial institution" shall have the meaning assigned to it in clause (72) of section 2 of the Companies Act, 2013;

(b) "recognised stock exchange" shall have the meaning assigned to it in clause (ii) of *Explanation 1* to clause (5) of section 43;

(c) "scheduled bank" shall have the meaning assigned to it in clause (ii) of the *Explanation* to clause (vii) of sub-section (1) of section 36.

18 of 2013.

Taxability of certain income.

145B. (1) Notwithstanding anything to the contrary contained in section 145, the interest received by an assessee on any compensation or on enhanced compensation, as the case may be, shall be deemed to be the income of the previous year in which it is received.

(2) Any claim for escalation of price in a contract or export incentives shall be deemed to be the income of the previous year in which reasonable certainty of its realisation is achieved.

(3) The income referred to in sub-clause (xviii) of clause (24) of section 2 shall be deemed to be the income of the previous year in which it is received, if not charged to income-tax in any earlier previous year.’.

48. In section 193 of the Income-tax Act, in the proviso, in clause (iv), in the proviso, after the figures, words and brackets “8% Savings (Taxable) Bonds, 2003”, the words, figures and brackets “or 7.75% Savings (Taxable) Bonds, 2018” shall be inserted. Amendment of section 193.

49. In section 194A of the Income-tax Act, in sub-section (3), in clause (i), after the second proviso, the following shall be inserted, namely:— Amendment of section 194A.

‘Provided also that in case of payee being a senior citizen, the provisions of sub-clause (a), sub-clause (b), and sub-clause (c) shall have effect as if for the words “ten thousand rupees”, the words “fifty thousand rupees” had been substituted.

Explanation.—For the purposes of this clause, “senior citizen” means an individual resident in India who is of the age of sixty years or more at any time during the relevant previous year;’.

50. In section 245-O of the Income-tax Act,—

(i) in sub-section (1), the following proviso shall be inserted, namely:— Amendment of section 245-O.

52 of 1962.

“Provided that the Authority shall cease to act as an Authority for Advance Rulings for the purposes of Chapter V of the Customs Act, 1962 on and from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of that Act.”;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

52 of 1962.

“(1A) On and from the date of appointment of the Customs Authority for Advance Rulings referred to in the proviso to sub-section (1), the Authority shall act as an Appellate Authority, for the purpose of Chapter V of the Customs Act, 1962:

52 of 1962.

Provided that the Authority shall not admit any appeal against any ruling or order passed earlier by it in the capacity of the Authority for Advance Rulings in relation to any matter under Chapter V of the Customs Act, 1962 after the date of such appointment of the Customs Authority for Advance Rulings.”;

(iii) after sub-section (7), the following proviso shall be inserted, namely:—

“Provided that where the Authority is dealing with an application seeking advance ruling in any matter relating to this Act, the revenue Member of the Bench shall be such Member as referred to in sub-clause (i) of clause (c) of sub-section (3).”.

52 of 1962.

51. In section 245Q of the Income-tax Act, in sub-section (1), the words, letter and figures “or under Chapter V of the Customs Act, 1962” shall be omitted with effect from the date of appointment of the Customs Authority for Advance Rulings under section 28EA of the Customs Act, 1962. Amendment of section 245Q.

52. In section 253 of the Income-tax Act, in sub-section (1), in clause (a), after the word, figures and letter “section 271A”, the word, figures and letter “, section 271J” shall be inserted. Amendment of section 253.

53. In section 271FA of the Income-tax Act,—

(a) for the words “one hundred rupees”, the words “five hundred rupees” shall be substituted; Amendment of section 271FA.

(b) for the words “five hundred rupees”, the words “one thousand rupees” shall be substituted.

54. In section 276CC of the Income-tax Act, in the proviso, in clause (ii), in sub-clause (b), for the words “tax payable by him”, the words “tax payable by such person, not being a company,” shall be substituted. Amendment of section 276CC.

Amendment
of section
286.

55. In section 286 of the Income-tax Act,—

(a) in sub-section (2), for the words, brackets and figures “on or before the due date specified under sub-section (1) of section 139, for furnishing the return of income for the relevant accounting year”, the words “within a period of twelve months from the end of the said reporting accounting year” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(b) in sub-section (3), after the word, brackets and figure “sub-section (2)”, the words, brackets and figure “and sub-section (4)” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017;

(c) in sub-section (4),—

(i) after the words “reporting accounting year”, the words “within the period as may be prescribed” shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017;

(ii) clause (a) shall be relettered as clause (aa) thereof and before clause (aa) as so relettered, the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 2017, namely:—

“(a) where the parent entity is not obligated to file the report of the nature referred to in sub-section (2);”;

(d) in sub-section (5),—

(i) in the opening portion, for the words “in the said sub-section”, the words “by that country or territory” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(ii) in clause (e), for the word “entities”, the word “entity” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(e) in sub-section (9),—

(A) for clause (b), the following clause shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017, namely:—

“(b) “agreement” means a combination of all of the following agreements, namely:—

(i) an agreement entered into under sub-section (1) of section 90 or sub-section (1) of section 90A; and

(ii) an agreement for exchange of the report referred to in sub-section (2) and notified by the Central Government;”;

(B) in clause (d), in sub-clause (iii), for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(C) in clause (h), in the long line, for the words, brackets and figures “clause (i) or clause (ii)”, the words, brackets and figures “sub-clause (i) or sub-clause (ii)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017;

(D) in clause (j), for the word, brackets and figure “sub-section (2)”, the words, brackets and figures “sub-sections (2) and (4)” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2017.

CHAPTER IV

INDIRECT TAXES

Customs

- 52 of 1962. **56.** Throughout the Customs Act, 1962 (hereinafter referred to as the Customs Act), for the words “import manifest” and “export manifest”, wherever they occur, the words “arrival manifest or import manifest” and “departure manifest or export manifest” shall, respectively, be substituted, and such other consequential amendments as the rules of grammar may require shall also be made. Substitution of references to certain expressions by certain other expressions.
- 57.** In the Customs Act, in section 1, in sub-section (2), after the word “India”, the words “and, save as otherwise provided in this Act, it applies also to any offence or contravention thereunder committed outside India by any person” shall be inserted. Amendment of section 1.
- 58.** In the Customs Act, in section 2,— Amendment of section 2.
- (i) for clause (2), the following clause shall be substituted, namely:—
- ‘(2) “assessment” means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to—
- (a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act;
- (b) the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act;
- (c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefor under this Act or under the Customs Tariff Act or under any other law for the time being in force;
- (d) the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods;
- (e) the origin of such goods determined in accordance with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods;
- (f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods,
- and includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is *nil*;’;
- (ii) in clause (6), for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted;
- (iii) in clause (28), for the words and figure “contiguous zone of India under section 5”, the words and figure “Exclusive Economic Zone under section 7” shall be substituted;
- (iv) after clause (30A), the following clause shall be inserted, namely:—
- ‘(30AA) “notification” means notification published in the Official Gazette and the expression “notify” with its cognate meaning and grammatical variation shall be construed accordingly.’.
- 59.** In the Customs Act, in section 11, after sub-section (2), the following sub-section shall be inserted with effect from such date as the Central Government may, by notification Amendment of section 11.

51 of 1975.

in the Official Gazette, appoint, namely:—

“(3) Any prohibition or restriction or obligation relating to import or export of any goods or class of goods or clearance thereof provided in any other law for the time being in force, or any rule or regulation made or any order or notification issued thereunder, shall be executed under the provisions of that Act only if such prohibition or restriction or obligation is notified under the provisions of this Act, subject to such exceptions, modifications or adaptations as the Central Government deems fit.”.

Amendment
of section 17.

60. In the Customs Act, in section 17,—

(i) in sub-section (2),—

(a) for the words “the self-assessment of such goods”, the words, figures and brackets “the entries made under section 46 or section 50 and the self-assessment of goods referred to in sub-section (1)” shall be substituted;

(b) the following proviso shall be inserted, namely:—

“Provided that the selection of cases for verification shall primarily be on the basis of risk evaluation through appropriate selection criteria.”;

(ii) in sub-section (3), for the words “verification of self-assessment”, the words “the purposes of verification” shall be substituted;

(iii) in sub-section (5), the words “regarding valuation of goods, classification, exemption or concessions of duty availed consequent to any notification issued therefor under this Act” shall be omitted;

(iv) sub-section (6) shall be omitted.

Amendment of
section 18.

61. In the Customs Act, in section 18,—

(i) in sub-section (1), in the opening portion, after the word and figures “section 46”, the words and figures “and section 50” shall be inserted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Where, pursuant to the provisional assessment under sub-section (1), if any document or information is required by the proper officer for final assessment, the importer or exporter, as the case may be, shall submit such document or information within such time, and the proper officer shall finalise the provisional assessment within such time and in such manner, as may be prescribed.”;

(iii) in sub-section (3), for the figures and letters “28AB”, the figures and letters “28AA” shall be substituted and shall be deemed to have been substituted retrospectively with effect from the 8th day of April, 2011.

Insertion of
new sections
25A and 25B.

62. In the Customs Act, after section 25, the following sections shall be inserted, namely:—

Inward
processing of
goods.

“25A. Where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are imported for the purposes of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely:—

(a) the goods shall be re-exported after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order for clearance of the imported goods is made;

(b) the imported goods are identifiable in the export goods; and

(c) such other conditions as may be specified in that notification.

25B. Notwithstanding anything contained in section 20, where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification, exempt such of the goods which are re-imported after being exported for the purposes of repair, further processing or manufacture, as may be specified therein, from the whole or any part of duty of customs leviable thereon, subject to the following conditions, namely:—

Outward processing of goods.

(a) the goods shall be re-imported into India after such repair, further processing or manufacture, as the case may be, within a period of one year from the date on which the order permitting clearance for export is made;

(b) the exported goods are identifiable in the re-imported goods; and

(c) such other conditions as may be specified in that notification.”.

63. In the Customs Act, in section 28,—

Amendment of section 28.

(i) in sub-section (1), in clause (a), the following proviso shall be inserted, namely:—

“Provided that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed;”;

(ii) after sub-section (7), the following sub-section shall be inserted, namely:—

“(7A) Save as otherwise provided in clause (a) of sub-section (1) or in sub-section (4), the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed, and the provisions of this section shall apply to such supplementary notice as if it was issued under the said sub-section (1) or sub-section (4).”;

(iii) in sub-section (9),—

(a) the words “where it is possible to do so”, at both the places where they occur, shall be omitted;

(b) the following provisos shall be inserted, namely:—

“Provided that where the proper officer fails to so determine within the specified period, any officer senior in rank to the proper officer may, having regard to the circumstances under which the proper officer was prevented from determining the amount of duty or interest under sub-section (8), extend the period specified in clause (a) to a further period of six months and the period specified in clause (b) to a further period of one year:

Provided further that where the proper officer fails to determine within such extended period, such proceeding shall be deemed to have concluded as if no notice had been issued.”;

(iv) after sub-section (9), the following sub-section shall be inserted, namely:—

“(9A) Notwithstanding anything contained in sub-section (9), where the proper officer is unable to determine the amount of duty or interest under sub-section (8) for the reason that—

(a) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court; or

(b) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court; or

(c) the Board has, in a similar matter, issued specific direction or order to keep such matter pending; or

(d) the Settlement Commission has admitted an application made by the person concerned,

the proper officer shall inform the person concerned the reason for non-determination of the amount of duty or interest under sub-section (8) and in such case, the time specified in sub-section (9) shall apply not from the date of notice, but from the date when such reason ceases to exist.”;

(v) after sub-section (10), the following sub-sections shall be inserted, namely:—

“(10A) Notwithstanding anything contained in this Act, where an order for refund under sub-section (2) of section 27 is modified in any appeal and the amount of refund so determined is less than the amount refunded under said sub-section, the excess amount so refunded shall be recovered along with interest thereon at the rate fixed by the Central Government under section 28AA, from the date of refund up to the date of recovery, as a sum due to the Government.

(10B) A notice issued under sub-section (4) shall be deemed to have been issued under sub-section (1), if such notice demanding duty is held not sustainable in any proceeding under this Act, including at any stage of appeal, for the reason that the charges of collusion or any wilful mis-statement or suppression of facts to evade duty has not been established against the person to whom such notice was issued and the amount of duty and the interest thereon shall be computed accordingly.”;

(vi) after *Explanation 3*, the following *Explanation* shall be inserted, namely:—

“*Explanation 4*.—For the removal of doubts, it is hereby declared that in cases where notice has been issued for non-levy, not paid, short-levy or short-paid or erroneous refund after the 14th day of May, 2015, but before the date on which the Finance Bill, 2018 receives the assent of the President, they shall continue to be governed by the provisions of section 28 as it stood immediately before the date on which such assent is received.”.

Amendment of section 28E.

64. In the Customs Act, in section 28E,—

(i) clause (a) shall be omitted;

(ii) for clause (b), the following clause shall be substituted, namely:—

‘(b) “advance ruling” means a written decision on any of the questions referred to in section 28H raised by the applicant in his application in respect of any goods prior to its importation or exportation;’;

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

‘(ba) “Appellate Authority” means the Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961;’;

43 of 1961.

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

‘(c) “applicant” means any person,—

(i) holding a valid Importer-exporter Code Number granted under section 7 of the Foreign Trade (Development and Regulation) Act, 1992; or

22 of 1992.

(ii) exporting any goods to India; or

(iii) with a justifiable cause to the satisfaction of the Authority,

who makes an application for advance ruling under section 28H;’;

(v) for clause (e), the following clause shall be substituted, namely:—

‘(e) “Authority” means the Customs Authority for Advance Rulings appointed under section 28EA;’;

(vi) in clause (f), for the word “Authority”, the words “Appellate Authority” shall be substituted;

(vii) in clause (g), for the word “Authority”, the words “Appellate Authority” shall be substituted.

65. In the Customs Act, after section 28E, the following section shall be inserted, namely:—

Insertion of new section 28EA.

“28EA. (1) The Board may, for the purposes of giving advance rulings under this Act, by notification, appoint an officer of the rank of Principal Commissioner of Customs or Commissioner of Customs to function as a Customs Authority for Advance Rulings:

Customs Authority for Advance Rulings.

Provided that till the date of appointment of the Customs Authority for Advance Rulings, the existing Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961 shall continue to be the Authority for giving advance rulings for the purposes of this Act.

43 of 1961.

(2) The offices of the Authority may be established in New Delhi and at such other places, as the Board may deem fit.

(3) Subject to the provisions of this Act, the Authority shall exercise the powers and authority conferred on it by or under this Act.”.

66. In the Customs Act, in section 28F,—

Amendment of section 28F.

(i) in sub-section (1),—

(a) in the opening paragraph, for the words “the Authority for giving advance rulings for the purposes of this Act and the said Authority”, the words “the Appellate Authority for deciding appeal under this Chapter and the said Appellate Authority” shall be substituted;

(b) in the proviso, for the word “Authority”, the words “Appellate Authority” shall be substituted;

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

“(3) On and from the date of appointment of the Customs Authority for Advance Rulings, every application and proceeding pending before the erstwhile Authority for Advance Rulings shall stand transferred to the Authority from the stage at which such application or proceeding stood as on the date of such appointment.”.

67. In the Customs Act, in section 28H,—

Amendment of section 28H.

(i) in sub-section (2),—

(a) for clause (d), the following clause shall be substituted, namely:—

“(d) applicability of notifications issued in respect of tax or duties under this Act or the Customs Tariff Act, 1975 or any tax or duty chargeable under any other law for the time being in force in the same manner as duty of customs leviable under this Act or the Customs Tariff Act;”;

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

“(f) any other matter as the Central Government may, by notification, specify.”;

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

“(5) The applicant may be represented by any person resident in India who is authorised in this behalf.

51 of 1975.

Explanation.—For the purposes of this sub-section “resident” shall have the same meaning as assigned to it in clause (42) of section 2 of the Income-tax Act, 1961.’.

43 of 1961.

- Amendment of section 28-I. **68.** In the Customs Act, in section 28-I, in sub-section (6), for the words “six months”, the words “three months” shall be substituted.
- Amendment of section 28K. **69.** In the Customs Act, in section 28K, in sub-section (1),—
 (i) the brackets and words “(after excluding the period beginning with the date of such advance ruling and ending with the date of order under this sub-section)” shall be omitted;
 (ii) the following proviso shall be inserted, namely:—
 “Provided that in computing the period of two years referred to in clause (a) of sub-section (1) of section 28, or five years referred to in sub-section (4) thereof, for service of notice for recovery of any duty not levied, short-levied, not paid or short-paid on account of the advance ruling, the period beginning with the date of such advance ruling and ending with the date of the order under this sub-section shall be excluded.”.
- Insertion of new section 28KA. **70.** In the Customs Act, after section 28K, the following section shall be inserted with effect from such date as the Central Government may, by notification, appoint, namely:—
- Appeal. **28KA. (1)** Any officer authorised by the Board, by notification, or the applicant may file an appeal to the Appellate Authority against any ruling or order passed by the Authority, within sixty days from the date of the communication of such ruling or order, in such form and manner as may be prescribed:
 Provided that where the Appellate Authority is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the period so specified, it may allow a further period of thirty days for filing such appeal.
 (2) The provisions of sections 28-I and 28J shall, *mutatis mutandis*, apply to the appeal under this section.”.
- Amendment of section 28L. **71.** In the Customs Act, in section 28L, for the word “Authority” wherever it occurs, the words “Authority or Appellate Authority” shall be substituted.
- Substitution of new section for section 28M. **72.** In the Customs Act, for section 28M, the following section shall be substituted, namely:—
 “28M. (1) The Authority shall follow such procedure as may be prescribed.
 (2) The Appellate Authority shall, subject to the provisions of this Chapter, have power to regulate its own procedure in all matters arising out of the exercise of its powers and authority under this Act.”.
- Procedure for Authority and Appellate Authority. **73.** In the Customs Act, in section 30, in sub-section (1),—
 (i) after the words “imported goods”, the words “or export goods” shall be inserted;
 (ii) for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted.
- Amendment of section 30. **74.** In the Customs Act, in section 41, in sub-section (1),—
 (i) after the words “export goods”, the words “or imported goods” shall be inserted;
 (ii) for the words “the prescribed form”, the following shall be substituted, namely:—
 “such form and manner as may be prescribed and in case, the person-in-charge fails to deliver the departure manifest or export manifest or the export

report or any part thereof within such time, and the proper officer is satisfied that there is no sufficient cause for such delay, such person-in-charge shall be liable to pay penalty not exceeding fifty thousand rupees”.

75. In the Customs Act, in section 45, in sub-section (2), in clause (b), after the words “proper officer”, the words “or in such manner as may be prescribed” shall be inserted. Amendment of section 45.

76. In the Customs Act, in section 46,—

Amendment of section 46.

(i) in sub-section (1),—

(a) after the word “electronically”, at both the places where it occurs, the words “on the customs automated system” shall be inserted;

(b) for the words “in the prescribed form”, the words “in such form and manner as may be prescribed” shall be substituted;

(ii) in sub-section (3), in the first proviso, for the words “within thirty days of”, the words “at any time not exceeding thirty days prior to” shall be substituted;

(iii) in sub-section (4), for the words “relating to the imported goods”, the words “and such other documents relating to the imported goods as may be prescribed” shall be substituted;

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

“(4A) The importer who presents a bill of entry shall ensure the following, namely:—

(a) the accuracy and completeness of the information given therein;

(b) the authenticity and validity of any document supporting it; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.”.

77. In the Customs Act, in section 47, in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely:— Amendment of section 47.

“Provided that such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria:

Provided further that”.

78. In the Customs Act, in section 50,—

Amendment of section 50.

(i) in sub-section (1),—

(a) after the word “electronically”, at both the places where it occurs, the words “on the customs automated system” shall be inserted;

(b) for the words “in the prescribed form”, the words “in such form and manner as may be prescribed” shall be substituted;

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

“(3) The exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely:—

(a) the accuracy and completeness of the information given therein;

(b) the authenticity and validity of any document supporting it; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.”.

Amendment of section 51. **79.** In the Customs Act, in section 51, in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely:—

“Provided that such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria:

Provided further that”.

Insertion of new Chapter VIIA. **80.** In the Customs Act, after Chapter VII, the following Chapter shall be inserted with effect from such date as the Central Government may, by notification in the Official Gazette, appoint, namely:—

“CHAPTER VIIA

PAYMENTS THROUGH ELECTRONIC CASH LEDGER

Payment of duty, interest, penalty, etc. **51A.** (1) Every deposit made towards duty, interest, penalty, fee or any other sum payable by a person under the provisions of this Act or under the Customs Tariff Act, 1975 or under any other law for the time being in force or the rules and regulations made thereunder, using authorised mode of payment shall, subject to such conditions and restrictions, be credited to the electronic cash ledger of such person, to be maintained in such manner, as may be prescribed. 51 of 1975.

(2) The amount available in the electronic cash ledger may be used for making any payment towards duty, interest, penalty, fees or any other sum payable under the provisions of this Act or under the Customs Tariff Act, 1975 or under any other law for the time being in force or the rules and regulations made thereunder in such manner and subject to such conditions and within such time as may be prescribed. 51 of 1975.

(3) The balance in the electronic cash ledger, after payment of duty, interest, penalty, fee or any other amount payable, may be refunded in such manner as may be prescribed.

(4) Notwithstanding anything contained in this section, if the Board is satisfied that it is necessary or expedient so to do, it may, by notification, exempt the deposits made by such class of persons or with respect to such categories of goods, as may be specified in the notification, from all or any of the provisions of this section.”.

Amendment of section 54. **81.** In the Customs Act, in section 54, in sub-section (1),—

(i) for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted;

(ii) in the proviso, for the words “the prescribed form”, the words “such form and manner as may be prescribed” shall be substituted.

Amendment of section 60. **82.** In the Customs Act, in section 60, in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria.”.

Amendment of section 68. **83.** In the Customs Act, in section 68,—

(a) in the first proviso, for the words “Provided that”, the following shall be substituted, namely:—

“Provided that the order referred to in clause (c) may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria:

Provided further that”;

- (b) in the second proviso, for the words “Provided further that”, the words “Provided also that” shall be substituted.
- 84.** In the Customs Act, in section 69, in sub-section (1), the following proviso shall be inserted, namely:—
 “Provided that the order referred to in clause (c) may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria.”. Amendment of section 69.
- 85.** In the Customs Act, in section 74, in sub-section (1), in clause (iii), for the word and figures “section 82”, the words, brackets, letter and figures “clause (a) of section 84” shall be substituted. Amendment of section 74.
- 86.** In the Customs Act, in section 75, in sub-section (1), for the word and figures “section 82”, the words, brackets, letter and figures “clause (a) of section 84” shall be substituted. Amendment of section 75.
- 87.** In the Customs Act, in Chapter XI, in the heading, for the word “POST”, the words “POST, COURIER” shall be substituted. Amendment of Chapter heading.
- 88.** In the Customs Act, in section 83,—
 (a) for the word “post”, wherever it occurs, the words “post or courier” shall be substituted;
 (b) for the words “postal authorities” at both the places where they occur, the words “postal authorities or the authorised courier” shall be substituted. Amendment of section 83.
- 89.** In the Customs Act, in section 84, for the word “post”, wherever it occurs, the words “post or courier” shall be substituted. Amendment of section 84.
- 90.** In the Customs Act, after Chapter XII, the following Chapter shall be inserted, namely:—
 ‘CHAPTER XIII
 AUDIT
 99A. The proper officer may carry out the audit of assessment of imported goods or export goods or of an auditee under this Act either in his office or in the premises of the auditee in such manner as may be prescribed. Audit.
Explanation.—For the purposes of this section, “auditee” means a person who is subject to an audit under this section and includes an importer or exporter or custodian approved under section 45 or licensee of a warehouse and any other person concerned directly or indirectly in clearing, forwarding, stocking, carrying, selling or purchasing of imported goods or export goods or dutiable goods.’.
- 91.** In the Customs Act, after section 109, the following section shall be inserted, namely:—
 ‘109A. Notwithstanding anything contained in this Act, the proper officer or any other officer authorised by him in this behalf, may undertake controlled delivery of any consignment of such goods and in such manner as may be prescribed, to—
 (a) any destination in India; or
 (b) a foreign country, in consultation with the competent authority of such country to which such consignment is destined. Power to undertake controlled delivery.
Explanation.—For the purposes of this section “controlled delivery” means the procedure of allowing consignment of such goods to pass out of, or into, the territory of India with the knowledge and under the supervision of proper officer for identifying the persons involved in the commission of an offence or contravention under this Act.’.

Amendment of section 110. **92.** In the Customs Act, in section 110, in sub-section (2), for the proviso, the following provisos shall be substituted, namely:—

“Provided that the Principal Commissioner of Customs or Commissioner of Customs may, for reasons to be recorded in writing, extend such period to a further period not exceeding six months and inform the person from whom such goods were seized before the expiry of the period so specified:

Provided further that where any order for provisional release of the seized goods has been passed under section 110A, the specified period of six months shall not apply.”.

Amendment of section 122. **93.** In the Customs Act, in section 122, for clauses (b) and (c), the following clause shall be substituted, namely:—

“(b) up to such limit, by such officers, as the Board may, by notification, specify.”.

Amendment of section 124. **94.** In the Customs Act, in section 124, after the proviso, the following proviso shall be inserted, namely:—

“Provided further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.”.

Amendment of section 125. **95.** In the Customs Act, in section 125,—

(i) in sub-section (1), in the proviso, for the words “Provided that”, the following shall be substituted, namely:—

“Provided that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, the provisions of this section shall not apply:

Provided further that”;

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

“(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

Explanation.—For removal of doubts, it is hereby declared that in cases where an order under sub-section (1) has been passed before the date on which the Finance Bill, 2018 receives the assent of the President and no appeal is pending against such order as on that date, the option under said sub-section may be exercised within a period of one hundred and twenty days from the date on which such assent is received.”.

Amendment of section 128A. **96.** In the Customs Act, in section 128A, in sub-section (3), for the words “just and proper, confirming, modifying or annulling the decision or order appealed against”, the following shall be substituted, namely:—

“just and proper,—

(a) confirming, modifying or annulling the decision or order appealed against; or

(b) referring the matter back to the adjudicating authority with directions for fresh adjudication or decision, as the case may be, in the following cases, namely:—

(i) where an order or decision has been passed without following the principles of natural justice; or

(ii) where no order or decision has been passed after re-assessment under section 17; or

(iii) where an order of refund under section 27 has been issued by crediting the amount to Fund without recording any finding on the evidence produced by the applicant.”.

97. In the Customs Act, after section 143, the following section shall be inserted, namely:—

Insertion of new section 143AA.

“143AA. Notwithstanding anything contained in any other provision of this Act, the Board may, for the purposes of facilitation of trade, take such measures or prescribe separate procedure or documentation for a class of importers or exporters or for categories of goods or on the basis of the modes of transport of goods, in order to,—

Power to simplify or provide different procedure, etc., to facilitate trade.

(a) maintain transparency in the import and export documentation; or

(b) expedite clearance or release of goods entered for import or export; or

(c) reduce the transaction cost of clearance of importing or exporting goods; or

(d) maintain balance between customs control and facilitation of legitimate trade.”.

98. In the Customs Act, after section 151A, the following section shall be inserted, namely:—

Insertion of new section 151B.

‘151B. (1) The Central Government may enter into an agreement or any other arrangement with the Government of any country outside India or with such competent authorities of that country, as it deems fit, for facilitation of trade, enforcing the provisions of this Act and exchange of information for trade facilitation, effective risk analysis, verification of compliance and prevention, combating and investigation of offences under the provisions of this Act or under the corresponding laws in force in that country.

Reciprocal arrangement for exchange of information facilitating trade.

(2) The Central Government may, by notification, direct that the provisions of this section shall apply to the contracting State with which reciprocal agreement or arrangements have been made, subject to such conditions, exceptions or qualifications as may be specified in that notification.

(3) Subject to the provisions of sub-section (2), the information received under sub-section (1) may also be used as evidence in investigations and proceedings under this Act.

(4) Where the Central Government has entered into a multilateral agreement for exchange of information or documents for the purpose of verification of compliance in identified cases, the Board shall specify the procedure for such exchange, the conditions subject to which such exchange shall be made and designation of the person through whom such information shall be exchanged.

(5) Notwithstanding anything contained in sub-section (1) or sub-section (2) or sub-section (3), anything done or any action taken or purported to have been done or taken, in pursuance to any agreement entered into or any other arrangement made by the Central Government prior to the date on which the Finance Bill, 2018 receives the assent of the President, shall be deemed to have been done or taken under the provisions of this section.

Explanation.—For the purposes of this section, the expressions,—

(i) “contracting State” means any country outside India in respect of which agreement or arrangements have been made by the Central Government

with the Government or authority of such country through an agreement or otherwise;

(ii) “corresponding law” means any law in force in the contracting State corresponding to any of the provisions of this Act or dealing with offences in that country corresponding to any of the offences under this Act.’

Substitution of new section for section 153.

99. In the Customs Act, for section 153, the following section shall be substituted, namely:—

Modes for service of notice, order, etc.

“153. (1) An order, decision, summons, notice or any other communication under this Act or the rules made thereunder may be served in any of the following modes, namely:—

(a) by giving or tendering it directly to the addressee or importer or exporter or his customs broker or his authorised representative including employee, advocate or any other person or to any adult member of his family residing with him;

(b) by a registered post or speed post or courier with acknowledgement due, delivered to the person for whom it is issued or to his authorised representative, if any, at his last known place of business or residence;

(c) by sending it to the e-mail address as provided by the person to whom it is issued, or to the e-mail address available in any official correspondence of such person;

(d) by publishing it in a newspaper widely circulated in the locality in which the person to whom it is issued is last known to have resided or carried on business; or

(e) by affixing it in some conspicuous place at the last known place of business or residence of the person to whom it is issued and if such mode is not practicable for any reason, then, by affixing a copy thereof on the notice board of the office or uploading on the official website, if any.

(2) Every order, decision, summons, notice or any communication shall be deemed to have been served on the date on which it is tendered or published or a copy thereof is affixed or uploaded in the manner provided in sub-section (1).

(3) When such order, decision, summons, notice or any communication is sent by registered post or speed post, it shall be deemed to have been received by the addressee at the expiry of the period normally taken by such post in transit unless the contrary is proved.”

Amendment of section 157.

100. In the Customs Act, in section 157, in sub-section (2),—

(i) in clause (a), after the word “form”, the words “and manner to deliver or present” shall be inserted;

(ii) for clause (d), the following clauses shall be substituted, namely:—

“(d) the time and manner of finalisation of provisional assessment;

(e) the manner of conducting pre-notice consultation;

(f) the circumstances under which, and the manner in which, supplementary notice may be issued;

(g) the form and manner in which an application for advance ruling or appeal shall be made, and the procedure for the Authority, under Chapter VB;

(h) the manner of clearance or removal of imported or export goods;

(i) the documents to be furnished in relation to imported goods;

(j) the conditions, restrictions and the manner of making deposits in electronic cash ledger, the utilisation and refund therefrom and the manner of maintaining such ledger;

(k) the manner of conducting audit;

(l) the goods for controlled delivery and the manner thereof;

(m) the measures and separate procedure or documentation for a class of importers or exporters or categories of goods or on the basis of the modes of transport of goods.”.

52 of 1962.
51 of 1975.

101. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) number G.S.R. 850 (E), dated the 8th July, 2017, amending the notification number G.S.R. 785 (E), dated the 30th June, 2017 which was issued in exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 and sub-section (12) of section 3 of the Customs Tariff Act, 1975, shall be deemed to have, and always to have, for all purposes, come into force on and from the 1st day of July, 2017.

Amendment of notification issued under sub-section (1) of section 25 of Customs Act and sub-section (12) of section 3 of Customs Tariff Act, retrospectively.

(2) Refund shall be made of all such integrated tax which has been collected, but which would not have been so collected, had the amendment made *vide* the notification referred to in sub-section (1) been in force at all material times:

Provided that an application for claim of integrated tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

Customs Tariff

51 of 1975.

102. In the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), in section 3,—

Amendment of Customs Tariff Act, 1975.

(i) in sub-section (7), after the word, brackets and figure “sub-section (8)”, the words, brackets, figure and letter “or sub-section (8A), as the case may be” shall be inserted;

(ii) after sub-section (8), the following sub-section shall be inserted, namely:—

52 of 1962.

‘(8A) Where the goods deposited in a warehouse under the provisions of the Customs Act, 1962 are sold to any person before clearance for home consumption or export under the said Act, the value of such goods for the purpose of calculating the integrated tax under sub-section (7) shall be,—

(a) where the whole of the goods are sold, the value determined under sub-section (8) or the transaction value of such goods, whichever is higher; or

(b) where any part of the goods is sold, the proportionate value of such goods as determined under sub-section (8) or the transaction value of such goods, whichever is higher:

Provided that where the whole of the warehoused goods or any part thereof are sold more than once before such clearance for home consumption or export, the transaction value of the last such transaction shall be the transaction value for the purposes of clause (a) or clause (b):

Provided further that in respect of warehoused goods which remain unsold, the value or the proportionate value, as the case may be, of such goods shall be determined in accordance with the provisions of sub-section (8).

Explanation.— For the purposes of this sub-section, the expression “transaction value”, in relation to warehoused goods, means the amount paid or payable as consideration for the sale of such goods.’;

(iii) in sub-section (9), after the word, brackets and figures “sub-section (10)”, the words, brackets, figures and letter “or sub-section (10A), as the case may be” shall be inserted;

(iv) after sub-section (10), the following sub-section shall be inserted, namely:—

‘(10A) Where the goods deposited in a warehouse under the provisions of the Customs Act, 1962 are sold to any person before clearance for home consumption or export under the said Act, the value of such goods for the purpose of calculating the goods and services tax compensation cess under sub-section (9) shall be,—

(a) where the whole of the goods are sold, the value determined under sub-section (10) or the transaction value of such goods, whichever is higher; or

(b) where any part of the goods is sold, the proportionate value of such goods as determined under sub-section (10) or the transaction value of such goods, whichever is higher:

Provided that where the whole of the warehoused goods or any part thereof are sold more than once before such clearance for home consumption or export, the transaction value of the last of such transaction shall be the transaction value for the purposes of clause (a) or clause (b):

Provided further that in respect of warehoused goods which remain unsold, the value or the proportionate value, as the case may be, of such goods shall be determined in accordance with the provisions of sub-section (10).

Explanation.—For the purposes of this sub-section, the expression “transaction value”, in relation to warehoused goods, means the amount paid or payable as consideration for the sale of such goods.’

Amendment
of First
Schedule.

103. In the Customs Tariff Act, the First Schedule,—

(a) shall be amended in the manner specified in the Second Schedule;

(b) shall also be amended in the manner specified in the Third Schedule.

Amendment
of Second
Schedule.

104. In the Customs Tariff Act,—

(a) in the Second Schedule, after Note 3, the following Note shall be inserted, namely:—

“4. In respect of all other goods which are not covered under column (2) of this Schedule, the rate of duty shall be ‘Nil’.”;

(b) the Second Schedule shall be amended in the manner specified in the Fourth Schedule.

Service tax

Special provision
for exemption
from service tax in
certain cases
relating to life
insurance
services provided
by Naval Group
Insurance Fund
to personnel of
Coast Guard,
retrospectively.

105. (1) Notwithstanding anything contained in section 66, as it stood prior to the 1st day of July, 2012, or in section 66B, as it stood prior to the 1st day of July, 2017, of Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Chapter), no service tax shall be levied or collected in respect of taxable services provided or agreed to be provided by the Naval Group Insurance Fund by way of life insurance to personnel of Coast Guard under the Group Insurance Schemes of the Central Government, during the period commencing from the 10th day of September, 2004 and ending with the 30th day of June, 2017 (both days inclusive).

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

32 of 1994.
12 of 2017.

106. (1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Chapter), no service tax shall be levied or collected in respect of taxable services provided or agreed to be provided by the Goods and Services Tax Network to the Central Government or the State Government or the Union territory Administration, during the period commencing from the 28th day of March, 2013 and ending with the 30th day of June, 2017 (both days inclusive).

Special provision for exemption from service tax in certain cases relating to services provided or agreed to be provided by Goods and Services Tax Network, retrospectively.

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

32 of 1994.
12 of 2017.

107. (1) Notwithstanding anything contained in section 66B of Chapter V of the Finance Act, 1994, as it stood prior to its omission *vide* section 173 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the said Chapter), no service tax, leviable on the consideration paid to the Government in the form of Government's share of profit petroleum, as defined in the contract entered into by the Government in this behalf, shall be levied or collected in respect of taxable services provided or agreed to be provided by the Government by way of grant of license or lease to explore or mine petroleum crude or natural gas or both, during the period commencing from the 1st day of April, 2016 and ending with the 30th day of June, 2017 (both days inclusive).

Special provision for retrospective exemption from service tax on Government's share of profit petroleum.

(2) Refund shall be made of all such service tax which has been collected, but which would not have been so collected, had sub-section (1) been in force at all material times:

Provided that an application for the claim of refund of service tax shall be made within a period of six months from the date on which the Finance Bill, 2018 receives the assent of the President.

(3) Notwithstanding the omission of the said Chapter, the provisions of the said Chapter shall apply for refund under this section retrospectively as if the said Chapter had been in force at all material times.

CHAPTER V

REPEAL AND SAVINGS OF CERTAIN ENACTMENTS

108. (1) The enactments specified in the third column of the Fifth Schedule are hereby repealed to the extent specified in the fourth column thereof.

Repeal and savings of certain enactments.

(2) Notwithstanding the repeal under sub-section (1), such repeal shall not—

(a) affect any other law in which the repealed enactment has been applied, incorporated or referred to;

(b) affect the validity, invalidity, effect or consequences of anything already done or suffered or any right, title, obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing under the repealed enactment;

(c) affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed or recognised or derived by, in or from any enactment hereby repealed;

(d) revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

(3) The mention of particular matters in sub-section (1) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897, with regard to the effect of repeals. 10 of 1897.

Collection and payment of arrears of duties.

109. Notwithstanding the repeal of the enactments specified in the Fifth Schedule, the proceeds of duties levied under the said enactments immediately preceding the date on which the Finance Bill, 2018 receives the assent of the President, shall,—

(i) if collected by the collecting agencies but not paid into the Reserve Bank of India; or

(ii) if not collected by the collecting agencies,

be paid, or collected and paid, as the case may be, into the Reserve Bank of India for being credited to the Consolidated Fund of India.

CHAPTER VI

SOCIAL WELFARE SURCHARGE

Social Welfare Surcharge on imported goods.

110. (1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, a duty of Customs, to be called a Social Welfare Surcharge, on the goods specified in the First Schedule to the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), being the goods imported into India, to fulfil the commitment of the Government to provide and finance education, health and social security. 51 of 1975.

(2) The Central Government may, after due appropriation made by Parliament by law in this behalf, utilise such sums of money of the Social Welfare Surcharge levied under this Chapter for the purposes specified in sub-section (1), as it may consider necessary.

(3) The Social Welfare Surcharge levied under sub-section (1), shall be calculated at the rate of ten per cent. on the aggregate of duties, taxes and cesses which are levied and collected by the Central Government in the Ministry of Finance (Department of Revenue) under section 12 of the Customs Act, 1962 and any sum chargeable on the goods specified in sub-section (1) under any other law for the time being in force, as an addition to, and in the same manner as, a duty of customs, but not including— 52 of 1962.

(a) the safeguard duty referred to in sections 8B and 8C of the Customs Tariff Act;

(b) the countervailing duty referred to in section 9 of the Customs Tariff Act;

(c) the anti-dumping duty referred to in section 9A of the Customs Tariff Act;

(d) the Social Welfare Surcharge on imported goods levied under sub-section (1).

(4) The Social Welfare Surcharge on imported goods shall be in addition to any other duties of customs or tax or cess chargeable on such goods, under the Customs Act, 1962 or any other law for the time being in force. 52 of 1962.

52 of 1962. (5) The provisions of the Customs Act, 1962 and the rules and regulations made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the Social Welfare Surcharge on imported goods as they apply in relation to the levy and collection of duties of customs on such goods under the Customs Act, 1962 or the rules or the regulations, as the case may be.

CHAPTER VII

ROAD AND INFRASTRUCTURE CESS

111. (1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, an additional duty of customs, to be called the Road and Infrastructure Cess, on the goods specified in the Sixth Schedule (hereinafter referred to as scheduled goods), being the goods imported into India at the rates specified in the said Schedule for the purpose of financing infrastructure projects.

Road and Infrastructure Cess on imported goods.

(2) The additional duty of the customs referred to in sub-section (1) shall be in addition to any other duties of customs chargeable on scheduled goods under the Customs Act, 1962 or any other law for the time being in force.

52 of 1962.

52 of 1962. (3) The provisions of the Customs Act, 1962 and the rules and regulations made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the additional duty of customs leviable under this section in respect of scheduled goods as they apply in relation to the levy and collection of the duties of customs on scheduled goods under the said Act or the rules and regulations, as the case may be.

112. (1) There shall be levied and collected, in accordance with the provisions of this Chapter, for the purposes of the Union, an additional duty of excise, to be called the Road and Infrastructure Cess, on the goods specified in the Sixth Schedule (hereinafter referred to as scheduled goods), being the goods manufactured or produced, at the rates specified in the said Schedule for the purpose of financing infrastructure projects.

Road and Infrastructure Cess on excisable goods.

(2) The cess leviable under sub-section (1), chargeable on the scheduled goods shall be in addition to any other duties of excise chargeable on such goods under the Central Excise Act, 1944 or any other law for the time being in force.

1 of 1944.

1 of 1944. (3) The provisions of the Central Excise Act, 1944 and the rules made thereunder, including those relating to assessment, non-levy, short-levy, refunds, exemptions, interest, appeals, offences and penalties shall, as far as may be, apply in relation to the levy and collection of the cess leviable under this section in respect of scheduled goods as they apply in relation to the levy and collection of the duties of excise on scheduled goods under the said Act or the rules, as the case may be.

CHAPTER VIII

MISCELLANEOUS

PART I

AMENDMENTS TO THE GOVERNMENT SAVINGS BANKS ACT, 1873

113. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Commencement of this Part.

114. In the Government Savings Banks Act, 1873 (hereafter in this Part referred to as the principal Act), for the long title, the following shall be substituted, namely:—

Substitution of long title to Act 5 of 1873.

“An Act to regulate and channelise the savings from general public into Government Savings Schemes.”.

Amendment of short title. **115.** In the principal Act, in section 1, in the short title, for the word “Banks”, the word “Promotion” shall be substituted.

Substitution of words “Authorised Officer” for the word “Secretary” throughout Act. **116.** In the principal Act, for the word “Secretary”, wherever it occurs, the words “Authorised Officer” shall be substituted.

Omission of section 2. **117.** Section 2 of the principal Act shall be omitted.

Substitution of new sections 3, 3A and 3B for section 3. **118.** For section 3 of the principal Act, the following sections shall be substituted, namely:—

Definitions. ‘3. In this Act, unless the context otherwise requires,—

(a) “account” means an account opened under any of the Savings Schemes;

(b) “administrator” means an administrator as defined in clause (a) of section 2 of the Indian Succession Act, 1925;

39 of 1925.

(c) “Authorised Officer” means—

(i) in the case of a Post Office Savings Bank, an officer authorised by the Director General Posts; and

(ii) in the case of State Bank of India or a banking company or any other company or institution, an officer so authorised by State Bank of India or that banking company or that other company or that institution, as the case may be;

(d) “banking company” means a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949;

10 of 1949.

(e) “depositor” means an individual by whom, or on whose behalf money has been deposited in a Government Savings Bank and “deposit” means the money so deposited;

(f) “executor” means an executor as defined in clause (c) of section 2 of the Indian Succession Act, 1925;

39 of 1925.

(g) “Government Savings Bank” means—

(i) a Post Office Savings Bank; or

(ii) State Bank of India or a banking company, or any other company or institution, as the Central Government may, by notification in the Official Gazette, specify for the purposes of this Act;

(h) “guardian”, in relation to a minor or a person of unsound mind means—

(i) either of the parents;

(ii) where neither parent is alive or where neither or the only living parent is incapable of acting as such, a person entitled under the law for the time being in force to have the care of the property of a minor or a person of unsound mind, as the case may be;

(iii) legal guardian appointed by a court;

(i) “minor” means a person who has not attained the age of majority under the Indian Majority Act, 1875;

9 of 1875.

(j) “prescribed” means prescribed by rules made under this Act;

(k) "Savings Schemes" means the Government Savings Schemes, including Savings Certificates and Public Provident Fund Scheme, listed in the Schedule;

(l) "Schedule" means the Schedule annexed to this Act.

3A. (1) The Central Government may, by notification in the Official Gazette, frame new Savings Schemes or amend or discontinue existing Savings Schemes to promote household savings in the country. Framing of Savings Schemes.

(2) The Central Government may, by notification in the Official Gazette, include or omit or amend Savings Schemes in the Schedule.

(3) The notification referred to in sub-section (1) may include any or all of the following provisions, depending on the design of such Scheme, namely:—

- (a) the persons who shall be eligible to make deposit in a Savings Scheme;
- (b) the terms and conditions subject to which deposit may be made;
- (c) the manner of calculation, frequency of payment and rate of interest payable on the deposit;
- (d) the maximum and minimum limits of deposit;
- (e) premature closure, withdrawal of deposit, grant of loans against deposit and transfer of deposit;
- (f) any other provision depending on the purpose and design of the Savings Scheme.

3B. (1) A minor who has attained the age of ten years may open and operate an account in the Government Savings Bank, if so permitted under a Savings Scheme. Deposit by minor.

(2) Subject to the provisions of sub-section (1), the guardian of a minor may open and operate an account on behalf of the minor, till he becomes a major. '.

119. In section 4 of the principal Act,—

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

“(1) The depositors shall designate one or more individuals, as nominee or nominees, who shall be entitled, in the event of the death of the depositor of a single account, or all the depositors of a joint account, as the case may be, to receive the sum due, as an owner or a trustee, and to the extent, as may be specified by the depositor at the time of making nomination:

Provided that if the depositor is a minor or a person of unsound mind, the nominee shall be designated by the guardian.”;

(b) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) The transfer of deposit, if permitted under a Savings Scheme, shall automatically cancel a nomination previously made.”.

120. In section 4A of the principal Act,—

(a) after sub-section (3), the following sub-section shall be inserted, namely:—

“(3A) Where the deposit belongs to a minor or to a person of unsound mind who dies and there is no nominee immediately before the date of commencement of Part I of Chapter VIII of the Finance Act, 2018, the deposit shall be paid to the guardian.”;

(b) in sub-section (4),—

(i) in clause (a), for the words “deceased; and”, the words “deceased in accordance with such procedure as may be prescribed.” shall be substituted;

(ii) clause (b) shall be omitted;

Amendment of section 4.

Amendment of section 4A.

(c) sub-section (5) shall be omitted.

Amendment
of section 5.

121. In section 5 of the principal Act,—

(i) for the words “But nothing”, the word “Nothing” shall be substituted;

(ii) for the words “And any creditor”, the words “Every creditor” shall be substituted;

(iii) for the words “if the latter had obtained”, the words “if that person had obtained” shall be substituted.

Amendment
of section 6.

122. In section 6 of the principal Act, for the words, brackets, figures and letter “any such Bank or any officer empowered under sub-section (4) of section 4A”, the words “a Government Savings Bank” shall be substituted.

Amendment
of section 7.

123. In section 7 of the principal Act, for the words, brackets, figures and letter “any such Bank or any officer empowered under sub-section (4) of section 4A”, the words “a Government Savings Bank” shall be substituted.

Insertion of
new section 7A.

124. After section 7 of the principal Act, the following section shall be inserted, namely:—

Power to
call for
information.

“7A. The Central Government through any designated authority, may call for such information, documents and evidence as it may deem necessary, in relation to any account, for carrying out the purposes of this Act.”.

Amendment
of section 8.

125. In section 8 of the principal Act, for the words “three thousand rupees”, the words “the prescribed limit” shall be substituted.

Amendment
of section 10.

126. In section 10 of the principal Act,—

(i) for the words “or on behalf of, any minor”, the words “or on behalf of, a minor” shall be substituted;

(ii) for the words “for his use”, the words “for the use of such minor” shall be substituted;

(iii) for the words “receipt of any minor”, the words “receipt of the minor” shall be substituted.

Amendment
of section 12.

127. In section 12 of the principal Act,—

(i) for the word “Bank”, the words “Government Savings Bank” shall be substituted;

(ii) for the words “any proper person”, the word “guardian” shall be substituted;

(iii) for the words “such person”, the words “such guardian” shall be substituted;

(iv) for the words “nothing in this section authorises payments to any person other than”, the words “payments shall be made to” shall be substituted.

Insertion of
new section
12A.

128. After section 12 of the principal Act, the following section shall be inserted, namely:—

Operation of
account by
differently
abled persons.

“12A. Any depositor who suffers from physical infirmity, including blindness may operate and make a deposit through any literate individual whom he authorises.”.

Omission of
heading.

129. After section 12A of the principal Act as so inserted, the heading shall be omitted.

Omission of
section 13.

130. Section 13 of the principal Act shall be omitted.

	131. In section 14 of the principal Act, for the word “Government”, the words “Central Government” shall be substituted.	Amendment of section 14.
	132. After section 14 of the principal Act, the following section shall be inserted, namely:— “14A. The amount standing to the credit of any depositor in the Public Provident Fund Scheme shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the depositor.”.	Insertion of new section 14A. Protection against attachment.
	133. In section 15 of the principal Act, in sub-section (2),— (i) clause (a) shall be omitted; (ii) for clause (b), the following clause shall be substituted, namely:— “ <i>(b)</i> the conditions as to interest or discount relating to deposits generally, or any class of deposits in particular;”; (iii) for clause (g), the following clause shall be substituted, namely:— “ <i>(g)</i> the fees that may be levied for discharge of any services under this Act;”; (iv) for clause (i), the following clauses shall be substituted, namely:— “ <i>(i)</i> the limit and procedure under clause (a) of sub-section (4) of section 4A; <i>(j)</i> the mode of making deposits, such as physical, electronic or through use of any other tools of communication and information technology; <i>(k)</i> benchmark for interest rates on deposits with a view to ensure financial sustainability of Savings Schemes; <i>(l)</i> amount to be excluded in computing the court fee chargeable under the Court-fees Act, 1870 for the purpose of section 8 of the Act; <i>(m)</i> mechanism for redressal of grievances and settlement of disputes; <i>(n)</i> any other matter which is required to be or may be, prescribed.”.	Amendment of section 15.
7 of 1870.	134. After section 15 of the principal Act, the following shall be inserted, namely:— “16. (1) The Government Savings Certificates Act, 1959 and the Public Provident Fund Act, 1968 are hereby repealed. (2) Notwithstanding such repeal and without prejudice to the provisions contained in the General Clauses Act, 1897, with respect to repeals— (a) anything done or any action taken or purported to have been done or taken, including any rule, notification, order or notice made or issued or any direction given under the repealed enactments shall be deemed to have been done or taken under the corresponding provisions of this Act; (b) subject to the provisions of clause (a), any instrument executed or certificate issued, or anything done under or in pursuance of any repealed enactment shall, if is in force at the commencement of Part I of Chapter VIII of the Finance Act, 2018, continue to be in force in so far as it could have been executed, or issued or done under or in pursuance of such Part, shall have effect as if the same has been executed, issued or done under or in pursuance of the provisions contained in the aforesaid Part; (c) all deposits made or accounts or certificates held under the repealed enactments shall be deemed to be deposits or holdings in the Savings Scheme made under the corresponding provisions of this Act; and (d) any proceeding under the repealed enactments pending immediately before the commencement of Part I of Chapter VIII of the Finance Act, 2018 before any court shall, subject to the provisions of this Act, continue to be heard and disposed of by the said court.	Insertion of new section and Schedule. Repeal and savings.
46 of 1959. 23 of 1968.		
10 of 1897.		

(3) The repeal shall not prejudicially affect the interest of depositors who, before the commencement of Part I of Chapter VIII of the Finance Act, 2018, made deposits or were issued certificates or made contribution to any scheme under the repealed enactments.

THE SCHEDULE

[See section 3A]

This Act applies to the following Government Savings Schemes:

PART A

EXISTING SAVINGS SCHEMES

1. Post Office Savings Account
2. National Savings Monthly Income (Account)
3. National Savings Recurring Deposit
4. Sukanya Samridhhi Account
5. National Savings Time Deposit (1 year, 2 years, 3 years and 5 years)
6. Senior Citizens' Savings Scheme
7. Savings Certificates:—
 - (a) Kisan Vikas Patra (discontinued from 1st December, 2011 and restarted from 23rd September, 2014);
 - (b) National Savings Certificates (VIII Issue).
8. Public Provident Fund Scheme

PART B

DISCONTINUED SAVINGS SCHEMES

1. National Savings Scheme, 1987
2. National Savings Scheme, 1992
3. Block Deposit Account
4. Defence Savings Account
5. Gift Coupons
6. Cumulative Time Deposit Accounts:—
 - (a) 5-year account
 - (b) 10-year account
 - (c) 15-year account
7. 5-year Prize Bonds
8. 5-year Premium Prize Bonds
9. 5-year Compulsory Deposit Account Scheme, 1963
10. 5-year Fixed Deposit Account
11. 5-Year Cash Certificates
12. 10-Year Defence Savings Certificates
13. 12-Year National Savings Certificates
14. 7-Year National Savings Certificates
15. 5-Year National Savings Certificates
16. 10-Year Treasury Savings Deposits Certificates
17. 15-Year Annuity Certificates (I series)

18. 10-Year National Plan Savings Certificates
19. 10-Year Treasury Savings Deposits Certificates
20. 12-Year National Plan Savings Certificates
21. 15-Year Annuity Certificates (II series)
22. 10-Year Defence Deposit Certificates
23. 12-Year National Defence Certificates
24. 10-Year National Savings Certificates (I-Issue)
25. 7-Year National Savings Certificates (II-Issue)
26. 7-Year National Savings Certificates (III-Issue)
27. 7-Year National Savings Certificates (IV-Issue)
28. 7-Year National Savings Certificates (V-Issue)
29. 12-Year National Savings Annuity Certificates
30. 5-Year National Development Bonds
31. 6-Year National Savings Certificates (VI-Issue)
32. 6-Year National Savings Certificates (VII-Issue)
33. 10-Year Social Security Certificates
34. Indira Vikas Patras
35. 10-Year National Savings Certificates (IX-Issue).”.

PART II

AMENDMENT TO THE RESERVE BANK OF INDIA ACT, 1934

135. In the Reserve Bank of India Act, 1934, in section 17, after clause (I), the following clause shall be inserted, namely:—

Amendment of section 17 of Act 2 of 1934.

“(IA) The accepting of money as deposits, repayable with interest, from banks or any other person under the Standing Deposit Facility Scheme, as approved by the Central Board, from time to time, for the purposes of liquidity management;”.

PART III

AMENDMENTS TO THE PRESIDENT’S EMOLUMENTS AND PENSION ACT, 1951

136. Save as otherwise provided, the provisions of this Part shall come into force on the 1st day of April, 2018.

Commencement of this Part.

30 of 1951.

137. In section 1A of the President’s Emoluments and Pension Act, 1951 (hereafter referred to as the principal Act in this Part), for the words “one lakh fifty thousand rupees”, the words “five lakh rupees” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of January, 2016.

Amendment of section 1A.

138. In section 2 of the principal Act, in sub-section (2), in clause (b), for the words “sixty thousand rupees”, the words “one lakh rupees” shall be substituted.

Amendment of section 2.

139. In section 3A of the principal Act, in clause (b), in sub-clause (ii), for the words “twelve thousand rupees”, the words “twenty thousand rupees” shall be substituted.

Amendment of section 3A.

PART IV

AMENDMENT TO THE SALARIES AND ALLOWANCES OF OFFICERS OF PARLIAMENT ACT, 1953

140. In the Salaries and Allowances of Officers of Parliament Act, 1953, in section 3, in sub-section (I), for the words “one lakh twenty-five thousand rupees”, the words “four lakh rupees” shall be substituted and shall be deemed to have been substituted with effect from 1st January, 2016.

Amendment of section 3 of Act 20 of 1953.

PART V

AMENDMENTS TO THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF PARLIAMENT ACT, 1954

- Commencement of this Part. **141.** Save as otherwise provided, the provisions of this Part shall come into force from the 1st day of April, 2018.
- Amendment of section 3. **142.** In the Salary, Allowances and Pension of Members of Parliament Act, 1954 (hereafter referred to as the principal Act in this Part), section 3 shall be numbered as sub-section (I) thereof,—
- (i) in sub-section (I) as so renumbered, for the words “fifty thousand rupees”, the words “one lakh rupees” shall be substituted;
- (ii) after sub-section (I) as so renumbered, the following sub-section shall be inserted, namely:—
- “(2) The salary and daily allowance of members shall be increased after every five years commencing from 1st April, 2023 on the basis of Cost Inflation Index provided under clause (v) of *Explanation* to section 48 of the Income-tax Act, 1961.”.
- Amendment of section 4. **143.** In the principal Act, in section 4, in sub-section (I),—
- (i) clause (a) shall be omitted;
- (ii) in clause (b), the words “and one-fourth of the” shall be omitted;
- (iii) in clause (c), in sub-clause (i), the words “and three-fifth of the” shall be omitted.
- Amendment of section 8A. **144.** In the principal Act, in section 8A, in sub-section (I),—
- (a) for the words “twenty thousand rupees”, the words “twenty-five thousand rupees” shall be substituted;
- (b) in the proviso, for the words “fifteen hundred rupees”, the words “two thousand rupees” shall be substituted;
- (c) after the proviso, the following sub-section shall be inserted, namely:—
- “(IA) The pension and additional pension to every person shall be increased after every five years commencing from 1st April, 2023 on the basis of Cost Inflation Index provided under clause (v) of *Explanation* to section 48 of the Income-tax Act, 1961.”.
- Amendment of section 8AC. **145.** In the principal Act, in section 8AC, in sub-section (2), the words, brackets and figures “before the commencement of the Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 2006” shall be omitted and shall be deemed to have been omitted with effect from the 15th day of September, 2006.

PART VI

AMENDMENTS TO THE SECURITIES CONTRACTS (REGULATION) ACT, 1956

- Commencement of this Part. **146.** The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
- Amendment of section 12A. **147.** In the Securities Contracts (Regulation) Act, 1956 (hereafter in this Part referred to as the principal Act), section 12A shall be numbered as sub-section (I) thereof and after sub-section (I) as so numbered, the following sub-section shall be inserted, namely:—
- “(2) Without prejudice to the provisions of sub-section (I) and section 23-I, the Securities and Exchange Board of India may, by an order, for reasons to be recorded in writing, levy penalty under sections 23A, 23B, 23C, 23D, 23E, 23F, 23G, 23GA and 23H after holding an inquiry in the prescribed manner.”.

- 148.** In section 23 of the principal Act, in sub-section (1), in the long line, after the words “Adjudicating officer”, the words “or the Securities and Exchange Board of India” shall be inserted. Amendment of section 23.
- 149.** In section 23A of the principal Act, in sub-clause (a), after the words “bye-laws of the recognised stock exchange”, the words “or who furnishes false, incorrect or incomplete information, document, books, return or report” shall be inserted. Amendment of section 23A.
- 150.** In section 23E of the principal Act, after the words “mutual fund”, the words “or real estate investment trust or infrastructure investment trust or alternative investment fund”, shall be inserted. Amendment of section 23E.
- 151.** In section 23G of the principal Act, after the words “periodical returns”, the words “or furnishes false, incorrect or incomplete periodical returns” shall be inserted. Amendment of section 23G.
- 152.** After section 23G of the principal Act, the following section shall be inserted, namely:— Insertion of new section 23GA.
- “23GA. Where a stock exchange or a clearing corporation fails to conduct its business with its members or any issuer or its agent or any person associated with the securities markets in accordance with the rules or regulations made by the Securities and Exchange Board of India and the directions issued by it under this Act, the stock exchange or the clearing corporations, as the case may be, shall be liable to penalty which shall not be less than five crore rupees but which may extend to twenty-five crore rupees or three times the amount of gains made out of such failure, whichever is higher.”. Penalty for failure to conduct business in accordance with rules, etc.
- 153.** In section 23-I of the principal Act, in sub-section (1), for the word “shall”, the word “may” shall be substituted. Amendment of section 23-I.
- 154.** In section 23J of the principal Act,— Amendment of section 23J.
- (i) for the marginal heading, the following marginal heading shall be substituted, namely:—
- “Factors to be taken into account while adjudging quantum of penalty.”;
- (ii) for the word, figures and letter “section 23-I” the words, figures and letters “section 12A or section 23-I” shall be substituted.
- (iii) for the words “the adjudicating officer”, the words “the Securities and Exchange Board of India or the adjudicating officer” shall be substituted.
- 155.** In section 23JA of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely:— Amendment of section 23JA.
- “(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”.
- 156.** In section 23JB of the principal Act, in sub-section (1), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted. Amendment of section 23JB.
- 157.** After section 23JB of the principal Act, the following section shall be inserted, namely:— Insertion of new section 23JC.
- “23JC. (1) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay, if he had not died, in the like manner and to the same extent as the deceased: Continuance of proceedings.
- Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.

(2) For the purposes of sub-section (1),—

(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased before his death shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly;

(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.

(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall, be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “Legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’.

Amendment
of section
23M.

158. In section 23M of the principal Act,—

(i) after the words “adjudicating officer” at both the places where they occur, the words “or the Securities and Exchange Board of India” shall be inserted;

(ii) in sub-section (2), for the words, “any of his direction or orders” the words “the direction or order” shall be substituted.

Amendment
of section 24.

159. In section 24 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted:—

“Contravention by companies;”;

(ii) in sub-section (1), for the words “an offence”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted;

(iii) in sub-section (2), for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted;

(iv) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted.

PART VII

AMENDMENT TO THE CENTRAL BOARDS OF REVENUE ACT, 1963

Amendment
of Act 54 of
1963.

160. In the Central Boards of Revenue Act, 1963, with effect from the date on which the Finance Bill, 2018 receives the assent of the President,—

(a) “the Central Board of Excise and Customs” shall be renamed as “the Central Board of Indirect Taxes and Customs”;

(b) throughout the Act, for the words “Excise and Customs”, wherever they occur, the words “Indirect Taxes and Customs” shall be substituted, and such other consequential amendments as the rules of grammar may require shall also be made.

PART VIII

AMENDMENT TO THE GOVERNORS (EMOLUMENTS, ALLOWANCES AND PRIVILEGES) ACT, 1982

161. In section 3 of the Governors (Emoluments, Allowances and Privileges) Act, 1982, for the words “one lakh ten thousand” the words “three lakh fifty thousand” shall be substituted and shall be deemed to have been substituted with effect from the 1st day of January, 2016. Amendment of section 3 of Act 43 of 1982.

PART IX

AMENDMENTS TO THE NATIONAL HOUSING BANK ACT, 1987

162. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint. Commencement of this Part.

53 of 1987.

163. In the National Housing Bank Act, 1987 (hereafter in this Part referred to as the principal Act), in section 3,— Amendment of section 3.

(a) in sub-section (3), for the words “Bombay or at such other place as the Reserve Bank”, the words “New Delhi or at such other place as the Central Government” shall be substituted;

(b) in sub-section (4), for the words “the Reserve Bank”, the words “the Central Government” shall be substituted.

164. In section 4 of the principal Act,—

(a) in sub-section (1), for the proviso, the following proviso shall be substituted, namely:— Amendment of section 4.

“Provided that the Central Government may, by notification, increase the authorised capital up to two thousand crore rupees or such other amount as may be determined by it from time to time.”;

(b) in sub-section (2), the words “the Reserve Bank,” occurring at both the places shall be omitted;

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

“(3) The subscribed capital of one thousand four hundred and fifty crore rupees of the National Housing Bank, which has been subscribed to by the Reserve Bank, shall stand transferred to, and vested in the Central Government upon payment of the face value of the subscribed capital, to the Reserve Bank from such date as may be notified by the Central Government.”.

165. In section 5 of the principal Act, in sub-section (5), the words “, in consultation with the Reserve Bank, or the Reserve Bank,” shall be omitted. Amendment of section 5.

166. In section 6 of the principal Act,— Amendment of section 6.

(a) in sub-section (1),—

(i) in clause (ca), the words “the Reserve Bank,” shall be omitted;

(ii) in clause (d), for the words “two directors”, the words “one director” shall be substituted;

(b) in sub-section (2), for the words “in consultation with the Reserve Bank and directors”, the words “the director” shall be substituted.

Amendment of section 7.	167. In section 7 of the principal Act, in sub-sections (1), (3) and (4), the words “, in consultation with the Reserve Bank,” shall be omitted.	
Amendment of section 16.	168. In section 16 of the principal Act, in sub-section (1), for the words and figures “the Foreign Exchange Regulation Act, 1973”, the words and figures “the Foreign Exchange Management Act, 1999” shall be substituted.	46 of 1973. 42 of 1999.
Amendment of section 29A.	169. In section 29A of the principal Act, in the <i>Explanation</i> , in clause (II), for the words and figures “Companies Act, 1956”, the words and figures “Companies Act, 2013” shall be substituted.	1 of 1956. 18 of 2013.
Amendment of section 33.	170. In section 33 of the principal Act, in sub-section (2), for the words, brackets and figures “sub-section (2) of section 227 of the Companies Act, 1956”, the words, brackets and figures “sub-section (2) of section 143 of the Companies Act, 2013” shall be substituted.	1 of 1956. 18 of 2013.
Amendment of section 33B.	171. In section 33B of the principal Act, in sub-sections (1) and (4), for the words and figures “Companies Act, 1956”, the words and figures “Companies Act, 2013” shall be substituted.	1 of 1956. 18 of 2013.
Amendment of section 37.	172. In section 37 of the principal Act, in sub-sections (1) and (2), for the words “the Reserve Bank” at both the places where they occur, the words “the Central Government” shall be substituted.	
Amendment of section 39.	173. In section 39 of the principal Act, in clause (ii), for the words “the Reserve Bank”, the words “the Central Government” shall be substituted.	
Amendment of section 40.	174. In section 40 of the principal Act, in sub-section (1), for the words, brackets and figures “sub-section (1) of section 226 of the Companies Act, 1956”, the words, brackets and figures “sub-section (1) of section 141 of the Companies Act, 2013” shall be substituted.	1 of 1956. 18 of 2013.
Amendment of section 43.	175. In section 43 of the principal Act, in sub-section (5), the words, figures and letters “, without prejudice to the provisions of section 54AA of the Reserve Bank of India Act, 1934,” shall be omitted.	2 of 1934.
Amendment of section 45A.	176. In section 45A of the principal Act, in sub-section (1), for the words and figures “Companies Act, 1956”, the words and figures “Companies Act, 2013” shall be substituted.	1 of 1956. 18 of 2013.
Amendment of section 55.	177. In section 55 of the principal Act,— (i) in sub-section (1), the words “the Reserve Bank and in consultation with” shall be omitted; (ii) in sub-section (3), the words “by the Reserve Bank,” shall be omitted.	

PART X

AMENDMENTS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992

Commencement of this Part.	178. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.	
Amendment of section 11.	179. In the Securities And Exchange Board of India Act, 1992 (hereafter in this Part referred to as the principal Act), in section 11,— (i) after sub-section (4), the following sub-section shall be inserted, namely:— “(4A) Without prejudice to the provisions contained in sub-sections (1), (2), (2A), (3) and (4), section 11B and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.”; (ii) in sub-section (5), after the words and figures “the Depositories Act, 1996”, the words, figures, letters and brackets shall be inserted, namely:— “or under a settlement made under section 15JB or section 23JA of the Securities Contracts (Regulation) Act, 1956 or section 19-IA of the Depositories Act, 1996.”	15 of 1992. 22 of 1996. 42 of 1956. 22 of 1996.

- 180.** In section 11B, of the principal Act,—
- (a) in the marginal heading, after the word “directions”, the words “and levy penalty” shall be inserted;
- (b) section 11B shall be numbered as sub-section (I) thereof and after sub-section (I) as so renumbered, the following sub-section shall be inserted, namely:—
- “(2) Without prejudice to the provisions contained in sub-section (I), sub-section (4A) of section 11 and section 15-I, the Board may, by an order, for reasons to be recorded in writing, levy penalty under sections 15A, 15B, 15C, 15D, 15E, 15EA, 15EB, 15F, 15G, 15H, 15HA and 15HB after holding an inquiry in the prescribed manner.”.
- 181.** In the principal Act, in section 15A,—
- (i) in clause (a), after the words “fails to furnish the same”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted;
- (ii) in clause (b), after the words “furnish the same within the time specified therefor in the regulations”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted.
- 182.** In the principal Act, after section 15E, the following sections shall be inserted, namely:—
- “15EA. Where any person fails to comply with the regulations made by the Board in respect of alternative investment funds, infrastructure investment trusts and real estate investment trusts or fails to comply with the directions issued by the Board, such person shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees or three times the amount of gains made out of such failure, whichever is higher.
- 15EB. Where an investment adviser or a research analyst fails to comply with the regulations made by the Board or directions issued by the Board, such investment adviser or research analyst shall be liable to penalty which shall not be less than one lakh rupees but which may extend to one lakh rupees for each day during which such failure continues subject to a maximum of one crore rupees.”.
- 183.** In the principal Act, in section 15F, in clause (b), for the words “he sponsors or carries on any such collective investment scheme including mutual funds”, the words “such failure continues” shall be substituted.
- 184.** In the principal Act, in section 15-I, in sub-section (I),—
- (i) after the figures and letter “15E,”, the figures and letters “15EA, 15EB,” shall be inserted;
- (ii) for the word “shall” the word “may” shall be substituted.
- 185.** In the principal Act, in section 15J,—
- (a) for the marginal heading, the following marginal heading shall be substituted, namely:—
- “Factors to be taken into account while adjudging quantum of penalty.”;
- (b) after the words, figures and letter “section 15-I, the adjudicating officer”, the figures, letters and words “15-I or section 11 or section 11B, the Board or the adjudicating officer” shall be substituted;
- (c) in the *Explanation*, the words “of an adjudicating officer” shall be omitted.

Amendment of section 11B.

Amendment of section 15A.

Insertion of new sections 15EA and 15EB.

Penalty for default in case of alternative investment funds, infrastructure investment trusts and real estate investment trusts.

Penalty for default in case of investment adviser and research analyst.

Amendment of section 15F.

Amendment of section 15-I.

Amendment of section 15J.

- Amendment of section 15JB. **186.** In the principal Act, in section 15JB, after sub-section (4), the following sub-section shall be inserted, namely:—
“(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”
- Amendment of section 24. **187.** In the principal Act, in section 24,—
(i) after the words “adjudicating officer” at both the places where they occur, the words “or the Board” shall be inserted;
(ii) in sub-section (2), the words “of his” shall be omitted.
- Amendment of section 27. **188.** In the principal Act, in section 27,—
(i) for the marginal heading, the following marginal heading shall be substituted, namely:—
“Contravention by companies.”;
(ii) in sub-section (1), for the words “an offence under this Act,”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted;
(iii) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted.
- Amendment of section 28A. **189.** In the principal Act, in section 28A, in sub-section (1), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted.
- Insertion of new section 28B. **190.** In the principal Act, after section 28A, the following section shall be inserted, namely:—
- Continuance of proceedings. ‘28B. (1) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay, if he had not died, in the like manner and to the same extent as the deceased:
Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.
(2) For the purposes of sub-section (1),—
(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased before his death, shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly;
(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.
(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’

PART XI

AMENDMENTS TO THE DEPOSITORIES ACT, 1996

22 of 1996.	<p>191. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.</p>	Commencement of this Part.
	<p>192. Section 19 of the Depositories Act, 1996 (hereafter in this Part referred to as the principal Act) shall be numbered as sub-section (I) thereof and after sub-section (I) as so renumbered, the following sub-section shall be inserted, namely:—</p> <p>“(2) Without prejudice to the provisions contained in sub-section (I) and section 19H, the Board may, by order, for reasons to be recorded in writing, levy penalty under sections 19A, 19B, 19C, 19D, 19E, 19F, 19FA and 19G after holding an inquiry in the prescribed manner.”</p>	Amendment of section 19.
	<p>193. In section 19A of the principal Act,—</p> <p>(i) in clause (a), after the words “specified therefor”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted;</p> <p>(ii) in clause (b), after the words “specified therefor, he”, the words “or who furnishes or files false, incorrect or incomplete information, return, report, books or other documents” shall be inserted.</p>	Amendment of section 19A.
	<p>194. After section 19F of the principal Act, the following section shall be inserted, namely:—</p> <p>“19FA. Where a depository fails to conduct its business with its participants or any issuer or its agent or any person associated with the securities markets in a fair manner in accordance with the rules, regulations made by the Board or directions issued by the Board under this Act, it shall be liable to penalty which shall not be less than five crore rupees but which may extend to twenty-five crore rupees or three times the amount of gains made out of such failure, whichever is higher.”</p>	Insertion of new section 19FA. Penalty for failure to conduct business in a fair manner.
	<p>195. In section 19H of the principal Act, in sub-section (I), for the figures, letters and words “19F and 19G, the Board shall”, the figures, letters and words “19F, 19FA and 19G, the Board may” shall be substituted.</p>	Amendment of section 19H.
	<p>196. In section 19-I of the principal Act,—</p> <p>(i) for the marginal heading, the following marginal heading shall be substituted, namely:—</p> <p>“Factors to be taken into account while adjudging quantum of penalty”.</p> <p>(ii) for the words, figures and letter “section 19H, the adjudicating officer”, the words, figures and letter “section 19 or section 19H, the Board or the adjudicating officer” shall be substituted;</p> <p>(iii) in the <i>Explanation</i>, the words “of an adjudicating officer” shall be omitted.</p>	Amendment of section 19-I.
	<p>197. In section 19-IA of the principal Act, after sub-section (4), the following sub-section shall be inserted, namely:—</p> <p>“(5) All settlement amounts, excluding the disgorgement amount and legal costs, realised under this Act shall be credited to the Consolidated Fund of India.”</p>	Amendment of section 19-IA.

Amendment of section 19-IB. **198.** In section 19-IB of the principal Act, in sub-section (I), for the words “by the adjudicating officer”, the words “under this Act” shall be substituted.

Insertion of new section 19-IC. **199.** After section 19-IB of the principal Act, the following section shall be inserted, namely:—

Continuance of proceedings. ‘19-IC. (I) Where a person dies, his legal representative shall be liable to pay any sum which the deceased would have been liable to pay if he had not died, in the like manner and to the same extent as the deceased:

Provided that, in case of any penalty payable under this Act, a legal representative shall be liable only in case the penalty has been imposed before the death of the deceased person.

(2) For the purposes of sub-section (I),—

(a) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, initiated against the deceased before his death shall be deemed to have been initiated against the legal representative, and may be continued against the legal representative from the stage at which it stood on the date of the death of the deceased and all the provisions of this Act shall apply accordingly;

(b) any proceeding for disgorgement, refund or an action for recovery before the Recovery Officer under this Act, except a proceeding for levy of penalty, which could have been initiated against the deceased if he had survived, may be initiated against the legal representative and all the provisions of this Act shall apply accordingly.

(3) Every legal representative shall be personally liable for any sum payable by him in his capacity as legal representative if, while his liability for such sum remains undischarged, he creates a charge on or disposes of or parts with any assets of the estate of the deceased, which are in, or may come into, his possession, but such liability shall be limited to the value of the asset so charged, disposed of or parted with.

(4) The liability of a legal representative under this section shall be limited to the extent to which the estate of the deceased is capable of meeting the liability.

Explanation.—For the purposes of this section “legal representative” means a person who in law represents the estate of a deceased person, and includes any person who intermeddles with the estate of the deceased and where a party sues or is sued in a representative character, the person on whom the estate devolves on the death of the party so suing or sued.’.

Amendment of Chapter V. **200.** In Chapter V of the principal Act, for the heading, the following heading shall be substituted, namely:—

“MISCELLANEOUS”.

Amendment of section 20. **201.** In section 20 of the principal Act,—

(i) in sub-section (I), after the words “adjudicating officer”, the words “or the Board” shall be inserted;

(ii) in sub-section (2), for the words “adjudicating officer or fails to comply with any of his”, the words “adjudicating officer or the Board or fails to comply with any” shall be substituted.

Amendment of section 21. **202.** In section 21 of the principal Act,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Contravention by companies.”;

(ii) in sub-section (1),—

(a) for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted;

(b) for the word “offence”, wherever it occurs, the word “contravention” shall be substituted;

(iii) in sub-section (2),—

(a) for the words “an offence under this Act”, the words “a contravention of any of the provisions of this Act or any rule, regulation, direction or order made thereunder” shall be substituted;

(b) for the word “offence” occurring at both the places, the word “contravention” shall be substituted.

203. In the principal Act, the words and letters “CHAPTER VI MISCELLANEOUS” occurring before section 22 shall be omitted. Omission of heading.

PART XII

AMENDMENT TO THE VICE-PRESIDENT’S PENSION ACT, 1997

204. In section 2 of the Vice-President’s Pension Act, 1997, in sub-section (2), in clause (c), for the words “sixty thousand rupees”, the words “ninety thousand rupees” shall be substituted with effect from the 1st day of April, 2018. Amendment of section 2 of Act 30 of 1997.

PART XIII

AMENDMENT TO THE CENTRAL ROAD FUND ACT, 2000

205. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint. Commencement of this Part.

206. In the Central Road Fund Act, 2000,—

(a) in the long title, for the words and figures “the existing Central Road Fund governed by the Resolution of Parliament passed in 1988 for development and maintenance of National Highways and improvement of safety at railway crossing, and for these purposes levy and collect by way of cess, a duty of excise and a duty of customs on motor spirit commonly known as petrol, high speed diesel oil”, the words “the Central Road and Infrastructure Fund for development and maintenance of National Highways, railway projects, improvement of safety in railways, State and rural roads and other infrastructure, and for these purposes to levy and collect by way of cess, a duty of excise and a duty of customs on motor spirit commonly known as petrol and high speed diesel oil” shall be substituted;

(b) in section 1, in sub-section (1), for the words “Central Road”, the words “Central Road and Infrastructure” shall be substituted;

(c) in section 2, —

(i) in clause (c), for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted;

(ii) clause (e) shall be omitted;

(d) in Chapter II,—

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

“CENTRAL ROAD AND INFRASTRUCTURE FUND”;

(ii) in section 3,—

Amendment of Act 54 of 2000.

(A) for the word “Schedule”, wherever it occurs, the word and figure “Schedule I” shall be substituted;

(B) in sub-section (1), in the long line, the words, brackets and figure “not exceeding the rate set forth in the corresponding entry in column (3) of the Schedule” shall be omitted;

(C) the first proviso shall be omitted;

(D) for the second proviso, the following proviso shall be substituted, namely:—

“Provided that the additional duty of customs and the additional duty of excise on motor spirit commonly known as petrol and on high speed diesel oil levied under sub-section (1) of section 109 and sub-section (1) of section 110, as the case may be, of the Finance Act, 2018 shall be deemed to be the cess for the purposes of this Act from the date of its levy and the proceeds thereof shall be credited to the Fund.”;

(e) in section 6,—

(i) in the marginal heading, for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted;

(ii) in sub-section (1), for the words “Road Fund”, the words “Road and Infrastructure Fund” shall be substituted;

(f) section 7 shall be renumbered as sub-section (1) thereof and in sub-section (1) as so renumbered,—

(A) for clauses (iv) and (v), the following clauses shall be substituted, namely:—

‘(iv) construction of roads either under or over the railways by means of bridges and erection of safety works at unmanned rail-road crossings, new lines, conversion of existing standard lines into gauge lines and electrification of rail lines; and

(v) undertaking other infrastructure projects.

Explanation.— For the purposes of this Act, the expression “infrastructure projects” means the category of projects and infrastructure Sub-Sectors specified in Schedule II.’;

(B) after sub-section (1), as so renumbered, the following sub-sections shall be inserted, namely:—

“(2) The Central Government may, depending upon the requirement for development of infrastructure projects, and if it considers necessary or expedient to do so, by notification in the Official Gazette, amend Schedule II relating to any Category of projects or Infrastructure Sub-Sectors.

(3) Every notification issued under this Act by the Central Government shall be laid, as soon as may be after it is issued, 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 notification or both Houses agree that the notification should not be made, the notification 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 notification.”;

(g) after section 7, the following section shall be inserted, namely:—

“7A. The share of the Fund to be apportioned to each of infrastructure projects shall be finalised by a Committee, constituted by the Central Government by notification published in the Official Gazette, headed by the Finance Minister, depending on the priorities of the project.”;

Apportionment
of share of
fund by
Committee.

(h) in Chapter III, for the heading, the following heading shall be substituted, namely:—

“MANAGEMENT OF CENTRAL ROAD AND INFRASTRUCTURE FUND”;

(i) for section 9, the following section shall be substituted, namely:—

“9. The Central Government shall have the power to administer the Fund and shall—

(a) take such decisions regarding investment on projects of roads and other infrastructure as it considers necessary;

(b) take such measures as may be necessary to raise funds for the development and maintenance of roads and other infrastructure.”;

(j) in section 10, in sub-section (1),—

(A) in clause (i), for the words “national highways”, the words “roads and other infrastructure” shall be substituted;

(B) clause (iii) shall be omitted;

(C) for clauses (v) and (vi), the following clauses shall be substituted, namely:—

“(v) release of funds to the States for specific projects and monitoring of such projects and expenditure incurred thereon;

(vi) formulation of the criteria for allocation of the funds for development and maintenance of national highways and other infrastructure projects;”;

(D) clause (viii) shall be omitted;

(k) in section 11, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The share of the Fund to be spent on development and maintenance of roads shall be allocated in such manner as may be decided by the Committee referred to in section 7A.”;

(l) in section 12, in sub-section (2), —

(i) in clause (a), for the words “the projects”, the words “the type of projects” shall be substituted;

(ii) in clause (c), the words and figures “under section 10” shall be omitted;

(m) in section 14,—

(i) in the marginal heading for the words “road Fund”, the words “Road and Infrastructure Fund” shall be substituted;

(ii) in clause (a), for the words “highways and State roads”, the words “highways, State roads and other infrastructure” shall be substituted;

(n) in the Schedule I (as so renumbered), column (3) shall be omitted;

(o) the Schedule shall be numbered as “Schedule I” and after the “Schedule I” as so renumbered, the following “Schedule” shall be inserted, namely:—

“SCHEDULE II

[See section 7(1)]

Category of projects and Infrastructure Sub-Sectors

Sl. No.	Category	Infrastructure Sub-Sectors
1.	Transport	<p>(a) Road and bridges;</p> <p>(b) Ports (including Capital Dredging);</p> <p>(c) Shipyards (including a floating or land-based facility with the essential features of waterfront, turning basin, berthing and docking facility, slipways or ship lifts, and which is self-sufficient for carrying on shipbuilding/repair/breaking activities);</p> <p>(d) Inland Waterways;</p> <p>(e) Airports;</p> <p>(f) Railway Track, tunnels, viaducts, bridges, terminal infrastructure including stations and adjoining commercial infrastructure;</p> <p>(g) Urban Public Transport (except rolling stock in case of urban road transport).</p>
2.	Energy	<p>(a) Electricity Generation;</p> <p>(b) Electricity Transmission;</p> <p>(c) Electricity Distribution;</p> <p>(d) Oil pipelines;</p> <p>(e) Oil / Gas / Liquefied Natural Gas (LNG) storage facility (including strategic storage of crude oil);</p> <p>(f) Gas pipelines (including city gas distribution network).</p>
3.	Water and Sanitation	<p>(a) Solid Waste Management;</p> <p>(b) Water supply pipelines;</p> <p>(c) Water treatment plants;</p> <p>(d) Sewage collection, treatment and disposal system;</p> <p>(e) Irrigation (dams, channels, embankments, etc.);</p> <p>(f) Storm Water Drainage System;</p> <p>(g) Slurry pipelines.</p>
4.	Communication	<p>(a) Telecommunication (Fixed network including optic fibre/wire/cable networks which provide broadband/internet);</p> <p>(b) Telecommunication towers;</p> <p>(c) Telecommunications and Telecom Services.</p>
5.	Social and Commercial Infra	<p>(a) Education Institutions (capital stock);</p> <p>(b) Sports and Infrastructure (including provision of Sports Stadia and Infrastructure for Academies for Training/Research in Sports and Sports-related activities);</p> <p>(c) Hospitals (capital stock including Medical Colleges, Para Medical Training Institutes and Diagnostic Centres);</p>

(d) Tourism Infrastructure—

(i) three-star or higher category classified hotels located outside cities with population of more than one million;

(ii) ropeways and cable cars;

(e) Common infrastructure for industrial parks and other parks with industrial activity such as food parks, textile parks, special economic zones, tourism facilities and agriculture markets;

(f) Post-harvest storage infrastructure for agriculture and horticulture produce including cold storage;

(g) Terminal markets;

(h) Soil-testing laboratories;

(i) Cold chain (including cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat);

(j) Affordable Housing (including a housing project using at least 50% of the Floor Area Ratio (*FAR*)/Floor Space Index (*FSI*) for dwelling units with carpet area of not more than 60 square meters.

Explanation.— For the purposes of the item *(j)*, the term “carpet area” shall have the meaning assigned to it in clause *(k)* of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016).”

PART XIV

AMENDMENTS TO THE PREVENTION OF MONEY-LAUNDERING ACT, 2002

207. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint. Commencement of this Part.

208. In the Prevention of Money-laundering Act, 2002,— Amendments of Act 15 of 2003.

(a) in section 2, in sub-section *(1)*, in clause *(u)*, after the words “within the country”, the words “or abroad” shall be inserted;

(b) in section 5,—

(i) in sub-section *(1)*, after the second proviso, the following proviso shall be inserted, namely:—

“Provided also that for the purposes of computing the period of one hundred and eighty days, the period during which the proceedings under this section is stayed by the High Court, shall be excluded and a further period not exceeding thirty days from the date of order of vacation of such stay order shall be counted.”;

(ii) in sub-section *(3)*, for the word, brackets and figure “sub-section *(2)*”, the word, brackets and figure “sub-section *(3)*” shall be substituted;

(c) in section 8,—

(i) in sub-section *(3)*, in clause *(a)*, after the words “continue during”, the words “investigation for a period not exceeding ninety days or” shall be inserted;

(ii) in sub-section *(8)*, after the proviso, the following proviso shall be inserted, namely:—

“Provided further that the Special Court may, if it thinks fit, consider the claim of the claimant for the purposes of restoration of such properties during the trial of the case in such manner as may be prescribed.”;

(d) in section 19, in sub-section (3),—

(i) after the words “be taken to a”, the words “Special Court or” shall be inserted;

(ii) in the proviso, after the words “from the place of arrest to the”, the words “Special Court or” shall be inserted;

(e) in section 45, in sub-section (1), —

(i) for the words “punishable for a term of imprisonment of more than three years under Part A of the Schedule”, the words “under this Act” shall be substituted;

(ii) in the proviso, after the words “sick and infirm,”, the words “or is accused either on his own or along with other co-accused of money-laundering a sum of less than one crore rupees” shall be inserted;

(f) in section 50, in sub-section (5), in the proviso, in clause (b), for the word “Director”, the words “Joint Director” shall be substituted;

(g) section 66 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

“(2) If the Director or other authority specified under sub-section (1) is of the opinion, on the basis of information or material in his possession, that the provisions of any other law for the time being in force are contravened, then the Director or such other authority shall share the information with the concerned agency for necessary action.”;

(h) in the Schedule, in Part A, after Paragraph 28, the following Paragraph shall be inserted, namely:—

“PARAGRAPH 29

OFFENCE UNDER THE COMPANIES ACT, 2013

(18 OF 2013)

Section	Description of offence
447	Punishment for fraud.”.

PART XV

AMENDMENTS TO THE FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2003

Commencement of this Part.

209. The provisions of this Part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of long title.

210. In the Fiscal Responsibility and Budget Management Act, 2003 (hereafter in this Part referred to as the principal Act), in the long title, the words “achieving sufficient revenue surplus and” shall be omitted. 39 of 2003.

Amendment of section 2.

211. In section 2 of the principal Act,—

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

‘(aa) “Central Government debt” at any date means—

(i) the total outstanding liabilities of the Central Government on the security of the Consolidated Fund of India, including external debt valued at current exchange rates;

(ii) the total outstanding liabilities in the public account of India; and

(iii) such financial liabilities of any body corporate or other entity owned or controlled by the Central Government, which the Government is to repay or service from the annual financial statement, reduced by the cash balance available at the end of that date;’;

(ii) for clause (bb), the following clauses shall be substituted, namely:—

‘(bb) “general Government debt” means the sum total of the debt of the Central Government and the State Governments, excluding inter-Governmental liabilities;

(bc) “gross domestic product” means the sum of the gross value added by all resident production units plus that part of taxes, less subsidies, on products, which is not included in the valuation of output, during a financial year, reckoned at current market prices, as published by the Central Statistics Office from time to time;

(iii) after clause (c), the following clauses shall be inserted, namely:—

‘(ca) “real gross domestic product” means gross domestic product, reckoned at constant prices, as published by the Central Statistics Office from time to time;

(cb) “real output growth” means growth in real gross domestic product;’;

(iv) clauses (e) and (f) shall be omitted.

212. In section 3 of the principal Act,—

Amendment
of section 3.

(a) in sub-section (3), item (i) shall be omitted;

(b) in sub-section (6), in clause (b), the words “revenue balance and” shall be omitted;

(c) in sub-section (6A), item (iii) shall be omitted.

213. For section 4 of the principal Act, the following section shall be substituted, namely:—

Amendment
of section 4.

“4.(1) The Central Government shall,—

Fiscal
management
principles.

(a) take appropriate measures to limit the fiscal deficit upto three per cent. of gross domestic product by the 31st March, 2021;

(b) endeavour to ensure that—

(i) the general Government debt does not exceed sixty per cent.;

(ii) the Central Government debt does not exceed forty per cent., of gross domestic product by the end of financial year 2024-2025;

(c) not give additional guarantees with respect to any loan on security of the Consolidated Fund of India in excess of one-half per cent. of gross domestic product, in any financial year;

(d) endeavour to ensure that the fiscal targets specified in clauses (a) and (b) are not exceeded after stipulated target dates.

(2) The Central Government shall prescribe the annual targets for reduction of fiscal deficit for the period beginning from the date of commencement of Part XV of Chapter VIII of the Finance Act, 2018 and ending on the 31st March, 2021:

Provided that exceeding annual fiscal deficit target due to ground or grounds of national security, act of war, national calamity, collapse of agriculture severely affecting farm output and incomes, structural reforms in the economy with unanticipated fiscal implications, decline in real output growth of a quarter by at least

three per cent. points below its average of the previous four quarters, may be allowed for the purposes of this section.

(3) Any deviation from fiscal deficit target under sub-section (2) shall not exceed one-half per cent. of the gross domestic product in a year.

(4) The Central Government shall, in case of increase in real output growth of a quarter by at least three per cent. points above its average of the previous four quarters, reduce the fiscal deficit by at least one-quarter per cent. of the gross domestic product in a year.

(5) Where the fiscal deficit is allowed to vary from the target prescribed under the proviso to sub-section (2) or deviation is initiated under sub-section (4), a statement explaining the reasons thereof and the path of return to annual prescribed targets under this section shall be laid, as soon as may be, before both the Houses of Parliament.”.

Amendment
of section 5.

214. In section 5 of the principal Act,—

(a) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) Notwithstanding anything contained in sub-section (1), the Reserve Bank may subscribe to the primary issues of Central Government Securities due to ground or grounds specified in the proviso to sub-section (2) of section 4.”;

(b) in sub-section (4), after the words “secondary market”, the words “or converts Central Government Securities held by it with other Securities of the Central Government as mutually agreed between the Reserve Bank and the Central Government” shall be inserted.

Amendment
of section 7.

215. In section 7 of the principal Act,—

(a) in sub-section (1), for the words “every quarter”, the words “on half-yearly basis” shall be substituted;

(b) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The Central Government shall prepare a monthly statement of its accounts.”;

(c) in sub-section (2), for the words “pre-specified levels mentioned in the Fiscal Policy Strategy Statement and the rules made under this Act”, the words “prescribed levels” shall be substituted.

Amendment
of section 8.

216. In section 8 of the principal Act, in sub-section (2),—

(i) clause (ca) shall be omitted;

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

“(da) the level of short fall in revenue or excess of expenditure under sub-section (2) of section 7;”.

PART XVI

AMENDMENT TO THE FINANCE (NO.2) ACT, 2004

Amendment
of Act 23 of
2004.

217. In section 97 of the Finance (No.2) Act, 2004, for clause (5), with effect from the 1st day of April, 2018, the following clause shall be substituted, namely:—

“(5) “equity oriented fund” means a fund referred to in clause (a) of *Explanation* to section 112A of Income-tax Act, 1961.’.

PART XVII

AMENDMENTS TO THE FINANCE ACT, 2013

218. In the Finance Act, 2013,—

Amendment
of Act 17 of
2013.

(a) in section 116, in clause (7), after the words “sale of commodity derivatives”, the words “or option on commodity derivatives” shall be inserted with effect from the 1st day of April, 2018;

(b) for sections 117 and 118, the following sections shall be substituted with effect from the 1st day of April, 2018, namely:—

“117. On and from the 1st day of April, 2018, there shall be charged a commodities transaction tax in respect of taxable commodities transaction specified in column (2) of the Table below, at the rate specified in the corresponding entry in column (3) of the said Table, on the value of such transaction and such tax shall be payable by the purchaser or the seller, as the case may be, as specified in the corresponding entry in column (4) of the said Table:

Charge of
commodities
transaction
tax.

TABLE

Sl.No.	Taxable commodities transaction	Rate	Payable by
(1)	(2)	(3)	(4)
1.	Sale of a commodity derivative;	0.01 per cent.	seller
2.	Sale of an option on commodity derivative;	0.05 per cent.	seller
3.	Sale of an option on commodity derivative, where option is exercised.	0.0001 per cent.	purchaser

118. The value of taxable commodities transaction referred to in section 117,—

Value of
taxable
commodities
transaction.

(a) in the case of a taxable commodities transaction relating to a commodity derivative, shall be the price at which the commodity derivative is traded;

(b) in the case of a taxable commodities transaction relating to an option on commodity derivative, shall be—

(i) the option premium, in respect of transaction at serial number 2 of the Table in section 117;

(ii) the settlement price, in respect of transaction at serial number 3 of the Table in section 117.”;

(c) in section 128, after the word “sections”, the figures “119,” shall be inserted with effect from the 1st day of April, 2018.

PART XVIII

AMENDMENTS TO THE BLACK MONEY (UNDISCLOSED FOREIGN INCOME AND ASSETS) AND IMPOSITION OF TAX ACT, 2015

219. In the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015, with effect from the 1st day of April, 2018,—

Amendment
of Act 22 of
2015.

(a) in section 46, in sub-section (4),—

Amendment
of section 46.

(i) in the opening portion, after the words “Joint Commissioner,”, the words “or the Joint Director” shall be inserted;

(ii) in clause (b), after the words “Deputy Commissioner”, the words “or Assistant Director or Deputy Director” shall be inserted;

Amendment
of section 55.

(b) in section 55,—

(i) for the marginal heading, the following marginal heading shall be substituted, namely:—

“Prosecution to be at instance of Principal Chief Commissioner or Principal Director General or Chief Commissioner or Director General or Principal Commissioner or Commissioner.”;

(ii) in sub-section (2), after the words “the Chief Commissioner”, the words “or the Principal Director General or the Director General” shall be inserted.

PART XIX

AMENDMENT TO THE FINANCE ACT, 2016

Amendment
of Act 28 of
2016.

220. In the Finance Act, 2016, in section 236, in the opening paragraph, for the words, figures and letters “the 26th September, 2010”, the words, figures and letters “the 5th August, 1976” shall be substituted.

PART XX

AMENDMENT TO THE CENTRAL GOODS AND SERVICES TAX ACT, 2017

Amendment
of section 2
of Act 12 of
2017.

221. In the Central Goods and Services Tax Act, 2017, in section 2, in clause (16), for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	Nil;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 12,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	Nil;
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 10,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	Nil;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(b) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs.10,000	10 per cent. of the total income;
(2) where the total income exceeds Rs.10,000 but does not exceed Rs. 20,000	Rs.1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(i) where its total turnover or the gross receipt in the previous year 2015-2016 does not exceed fifty crore rupees;	25 per cent. of the total income;
(ii) other than that referred to in item (i)	30 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

- (b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976, and where such agreement has, in either case, been approved by the Central Government
- | | |
|--|---------------|
| | 50 per cent.; |
| (ii) on the balance, if any, of the total income | 40 per cent. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 of the Income-tax Act, shall, be increased by a surcharge for the purposes of the Union calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART II

RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D, 194LBA, 194LBB, 194LBC and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(a) where the person is resident in India—	
(i) on income by way of interest other than “Interest on securities”	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on income by way of insurance commission	5 per cent.;
(v) on income by way of interest payable on—	10 per cent.;
(A) any debentures or securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder;	
(C) any security of the Central or State Government;	
(vi) on any other income	10 per cent.;
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E or sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;

(C) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(D) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(E) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(F) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(G) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(H) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(i)(G)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10 per cent.;
(I) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10 per cent.;
(J) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(K) on income by way of winnings from horse races	30 per cent.;
(L) on the whole of the other income	30 per cent.;
(ii) in the case of any other person—	
(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(B) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern, in respect of any computer software referred to in the second proviso to sub-section (1A) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(C) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(ii)(B)] payable by Government or an Indian	10 per cent.;

concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	
(D) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy	10 per cent.;
(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(F) on income by way of winnings from horse races	30 per cent.;
(G) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(H) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (I) of section 112	10 per cent.;
(I) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(J) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(K) on the whole of the other income	30 per cent.;
2. In the case of a company—	
(a) where the company is a domestic company—	
(i) on income by way of interest other than “Interest on securities”	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on any other income	10 per cent.;
(b) where the company is not a domestic company—	
(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(ii) on income by way of winnings from horse races	30 per cent.;
(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency (not being income by way of interest referred to in section 194LB or section 194LC)	20 per cent.;
(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to sub-section (IA) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to sub-section (IA) of section 115A of the Income-tax Act, to a person resident in India	10 per cent.;
(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and	

where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—

(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vi) on income by way of fees for technical services payable by the Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976	10 per cent.;
(vii) on income by way of short-term capital gains referred to in section 111A	15 per cent.;
(viii) on income by way of long-term capital gains referred to in sub-clause (iii) of clause (c) of sub-section (1) of section 112	10 per cent.;
(ix) on income by way of long-term capital gains referred to in section 112A	10 per cent.;
(x) on income by way of other long-term capital gains [not being long-term capital gains referred to in clauses (33) and (36) of section 10]	20 per cent.;
(xi) on any other income	40 per cent.

Explanation.—For the purposes of item 1(b)(i) of this Part, “investment income” and “non-resident Indian” shall have the respective meanings assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

(i) item 1 of this Part, shall be increased by a surcharge, for the purposes of the Union,—

(a) in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, being a non-resident, calculated,—

I. at the rate of ten per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds fifty lakh rupees but does not exceed one crore rupees;

II. at the rate of fifteen per cent. of such tax, where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees; and

(b) in the case of every co-operative society or firm, being a non-resident, calculated at the rate of twelve per cent., where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees;

(ii) Item 2 of this Part shall be increased by a surcharge, for the purposes of the Union, in the case of every company other than a domestic company, calculated,—

(a) at the rate of two per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds one crore rupees but does not exceed ten crore rupees; and

(b) at the rate of five per cent. of such income-tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten crore rupees.

PART III

RATES FOR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD “SALARIES” AND COMPUTING “ADVANCE TAX”

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from

income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or income chargeable to tax under section 115JB or section 115JC or Chapter XII-FA or Chapter XII-FB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge, wherever applicable, on such "advance tax" in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BA or section 115BB or section 115BBA or section 115BBC or section 115BBD or section 115BBDA or section 115BBE or section 115BBF or section 115BBG or section 115E or section 115JB or section 115JC] shall be charged, deducted or computed at the following rate or rates:—

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 2,50,000	<i>Nil</i> ;
(2) where the total income exceeds Rs. 2,50,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 2,50,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 12,500 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,12,500 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(II) In the case of every individual, being a resident in India, who is of the age of sixty years or more but less than eighty years at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 3,00,000	<i>Nil</i> ;
(2) where the total income exceeds Rs. 3,00,000 but does not exceed Rs. 5,00,000	5 per cent. of the amount by which the total income exceeds Rs. 3,00,000;
(3) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 10,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(4) where the total income exceeds Rs. 10,00,000	Rs. 1,10,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

(III) In the case of every individual, being a resident in India, who is of the age of eighty years or more at any time during the previous year,—

Rates of income-tax

(1) where the total income does not exceed Rs. 5,00,000	<i>Nil</i> ;
(2) where the total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	20 per cent. of the amount by which the total income exceeds Rs. 5,00,000;
(3) where the total income exceeds Rs. 10,00,000	Rs. 1,00,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 10,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated, in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act,—

(a) having a total income exceeding fifty lakh rupees but not exceeding one crore rupees, at the rate of ten per cent. of such income-tax; and

(b) having a total income exceeding one crore rupees, at the rate of fifteen per cent. of such income-tax:

Provided that in the case of persons mentioned above having total income exceeding,—

(a) fifty lakh rupees but not exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income

shall not exceed the total amount payable as income-tax on a total income of fifty lakh rupees by more than the amount of income that exceeds fifty lakh rupees;

(b) one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000	10 per cent. of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every co-operative society, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every co-operative society mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph C

In the case of every firm,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every firm, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every firm mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall, in the case of every local authority, having a total income exceeding one crore rupees, be increased by a surcharge for the purposes of the Union calculated at the rate of twelve per cent. of such income-tax:

Provided that in the case of every local authority mentioned above having total income exceeding one crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(i) where its total turnover or the gross receipt in the previous year 2016-2017 does not exceed two hundred and fifty crore rupees; 25 per cent. of the total income;

(ii) other than that referred to in item (i) 30 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of,—

(a) royalties received from the Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or the provisions of section 111A or section 112 or section 112A of the Income-tax Act, shall be increased by a surcharge for the purposes of the Union, calculated,—

(i) in the case of every domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of seven per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of twelve per cent. of such income-tax;

(ii) in the case of every company other than a domestic company,—

(a) having a total income exceeding one crore rupees but not exceeding ten crore rupees, at the rate of two per cent. of such income-tax; and

(b) having a total income exceeding ten crore rupees, at the rate of five per cent. of such income-tax:

Provided that in the case of every company having a total income exceeding one crore rupees but not exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of one crore rupees by more than the amount of income that exceeds one crore rupees:

Provided further that in the case of every company having a total income exceeding ten crore rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax and surcharge on a total income of ten crore rupees by more than the amount of income that exceeds ten crore rupees.

PART IV

[See section 2 (13)(c)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from other sources” and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3), (3A) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head “Profits and gains of business or profession” and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3), (3A) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind

referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case—

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) or technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules, 1962, and sixty-five per cent. of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent. or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2018, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2010 or the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2010, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2018.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2019, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 2011 or the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018, is a loss, then, for the purposes of sub-section (10) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2011, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2012 or the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2012, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2013 or the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2013, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2014 or the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2014, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2015 or the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2015, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2016 or the 1st day of April, 2017 or the 1st day of April, 2018,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2016, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2017 or the 1st day of April, 2018,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2017, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2018,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2019.

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this rule, no loss which has not been determined by the Assessing Officer under the provisions of these rules or the rules contained in the First Schedule to the Finance Act, 2010 (14 of 2010) or the First Schedule to the Finance Act, 2011 (8 of 2011) or the First Schedule to the Finance Act, 2012 (23 of 2012) or the First Schedule to the Finance Act, 2013 (17 of 2013) or the First Schedule to the Finance (No. 2) Act, 2014 (25 of 2014) or the First Schedule to the Finance Act, 2015 (20 of 2015) or the First Schedule to the Finance Act, 2016 (28 of 2016) or the First Schedule to the Finance Act, 2017 (7 of 2017) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 10.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.—For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

[See section 103 (a)]

In the First Schedule to the Customs Tariff Act,—

(1) in Chapter 20, for the entry in column (4) occurring against all the tariff items of heading 2009 (except tariff items 2009 11 00, 2009 12 00 and 2009 19 00), the entry “50%” shall be substituted;

(2) in Chapter 33, for the entry in column (4) occurring against all the tariff items of headings 3303, 3304, 3305, 3306 and 3307, the entry “20%” shall be substituted;

(3) in Chapter 34, for the entry in column (4) occurring against all the tariff items of heading 3406, the entry “25%” shall be substituted;

(4) in Chapter 39, for the entry in column (4) occurring against tariff items 3919 90 90, 3920 99 99, 3926 90 91 and 3926 90 99, the entry “15%” shall be substituted;

(5) in Chapter 40, for the entry in column (4) occurring against tariff item 4011 20 10, the entry “15%” shall be substituted;

(6) in Chapter 48, for the entry in column (4) occurring against tariff item 4823 90 90, the entry “20%” shall be substituted;

(7) in Chapter 56, for the entry in column (4) occurring against all the tariff items of headings 5608 and 5609, the entry “25%” shall be substituted;

(8) in Chapter 64,—

(i) for the entry in column (4) occurring against all the tariff items of headings 6401, 6402, 6403, 6404 and 6405, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 6406, the entry “15%” shall be substituted;

(9) in Chapter 71, for the entry in column (4) occurring against all the tariff items of heading 7117, the entry “20%” shall be substituted;

(10) in Chapter 84,—

(i) for the entry in column (4) occurring against all the tariff items of headings 8407, 8408 and 8409, the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against tariff items 8483 10 91 and 8483 10 92, the entry “15%” shall be substituted;

(11) in Chapter 85,—

(i) for the entry in column (4) occurring against all the tariff items of sub-heading 8504 40 (except tariff item 8504 40 21), the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 8506 (except tariff item 8506 90 00), the entry “15%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff items 8507 10 00, 8507 20 00, 8507 30 00, 8507 40 00 and 8507 50 00, the entry “15%” shall be substituted;

(iv) for the entry in column (4) occurring against tariff item 8507 60 00, the entry “20%” shall be substituted;

(v) for the entry in column (4) occurring against tariff item 8507 80 00, the entry “15%” shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of heading 8511, the entry “15%” shall be substituted;

(vii) for the entry in column (4) occurring against tariff items 8517 12 10, 8517 12 90 and 8517 62 90, the entry “20%” shall be substituted;

(viii) for the entry in column (4) occurring against tariff item 8517 70 90, the entry “15%” shall be substituted;

(ix) for the entry in column (4) occurring against tariff items 8518 10 00, 8518 29 00, 8518 30 00 and 8518 40 00, the entry “15%” shall be substituted;

(x) for the entry in column (4) occurring against tariff items 8529 10 99 and 8529 90 90, the entry “15%” shall be substituted;

(xi) for the entry in column (4) occurring against tariff item 8538 90 00, the entry “15%” shall be substituted;

(xii) for the entry in column (4) occurring against all the tariff items of sub-headings 8544 19, 8544 42 and 8544 49 the entry “15%” shall be substituted;

(12) in Chapter 87,—

(i) for the entry in column (4) occurring against all the tariff items of heading 8708, the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of sub-heading 8714 10, the entry “15%” shall be substituted;

(13) in Chapter 90,—

(i) for the entry in column (4) occurring against tariff item 9004 10 00, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of headings 9018 and 9019, the entry “10%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff item 9020 00 00, the entry “10%” shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of headings 9021 and 9022, the entry “10%” shall be substituted;

(14) in Chapter 91, for the entry in column (4) occurring against all the tariff items of headings 9101, 9102, 9103 and 9105, the entry “20%” shall be substituted;

(15) in Chapter 94, for the entry in column (4) occurring against all the tariff items of headings 9401, 9403 and 9404, the entry “20%” shall be substituted;

(16) in Chapter 95,—

(i) for the entry in column (4) occurring against all the tariff items of heading 9503 (except tariff item 9503 00 90), the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 9504, the entry “20%” shall be substituted;

(iii) for the entry in column (4) occurring against tariff item 9505 90 10, the entry “20%” shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of headings 9506, 9507 and 9508, the entry “20%” shall be substituted;

(17) in Chapter 96,—

(i) for the entry in column (4) occurring against tariff item 9611 00 00, the entry “20%” shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of heading 9613, the entry “20%” shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of heading 9616, the entry “20%” shall be substituted.

THE THIRD SCHEDULE

[See section 103 (b)]

In the First Schedule to the Customs Tariff Act,—

(1) in Chapter 7, for tariff item 0713 31 00 and the entries relating thereto, the following shall be substituted, namely:—

(1)	(2)	(3)	(4)	(5)
“0713 31	-- Beans of the species <i>Vigna mungo</i> (L.) Hepper or <i>Vigna radiata</i> (L.) Wilczek			
0713 31 10	--- Beans of the species <i>Vigna mungo</i> (L.) Hepper	kg.	30%	20%
0713 31 90	--- Beans of the species <i>Vigna radiata</i> (L.) Wilczek	kg.	30%	20%”;

(2) in Chapter 9, tariff item 0904 22 12 and the entries relating thereto shall be omitted;

(3) in Chapter 12, after tariff item 1209 91 60 and the entries relating thereto, the following shall be inserted, namely:—

(1)	(2)	(3)	(4)	(5)
“1209 91 70	--- of chilly of <i>genus Capsicum</i>	kg.	10%	—”;

(4) in Chapter 29, against tariff item 2917 39 20, in column (2), for the words “Diocetyl phthalate”, the words “Diocetyl isophthalate and dioctyl terephthalate” shall be substituted.

THE FOURTH SCHEDULE

[See section 104 (b)]

In the Second Schedule to the Customs Tariff Act, after Sl. No. 49 and the entries relating thereto, the following Sl.No. and entries shall be inserted, namely:—

(1)	(2)	(3)	(4)
“50	8545 11 00	Electrodes of a kind used for furnaces	20%”.

THE FIFTH SCHEDULE

(See sections 108 and 109)

Year	No.	Short title of enactments	Extent of repeal
(1)	(2)	(3)	(4)
1998	21	The Finance (No.2) Act, 1998	Sections 103 and 111
1999	27	The Finance Act, 1999	Sections 116 and 133
2004	23	The Finance (No.2) Act, 2004	Chapter VI
2007	22	The Finance Act, 2007	Chapter VI

THE SIXTH SCHEDULE

(See sections 111 and 112)

Item No.	Description of goods	Rate
(1)	(2)	(3)
1.	Motor spirit commonly known as petrol	Rupee 8 per litre
2.	High speed diesel oil	Rupee 8 per litre

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 20]

नई दिल्ली, मंगलवार, अप्रैल 3, 2018/चैत्र 13, 1940 (शक)

No. 20]

NEW DELHI, TUESDAY, APRIL 3, 2018/CHAITRA 13, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 3rd April, 2018/Chaitra 13, 1940 (Saka)

CORRIGENDA

THE FINANCE ACT, 2018

No. 13 OF 2018

In the FINANCE ACT, 2018 (13 OF 2018) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 17, dated the 29th March, 2018, —

Page No.	Line(s) No.	For	Read
1	Date of Assent	[28th March, 2018.]	[29th March, 2018.]
37	16	“amendment”	“amendment”
64	42	“marginal heading”	“43 of 1961.”

CORRIGENDUM

THE DAMAN AND DIU MUNICIPALITIES (AMENDMENT)
REGULATION, 2018

No. 1 OF 2018

In the DAMAN AND DIU MUNICIPALITIES (AMENDMENT) REGULATION, 2018 (1 OF 2018) published in the Gazette of India, Extraordinary, Part II, **Section 1, dated 26th March, 2018, Issue No. 13**, at page 11, in line 33, for “misbehavior”, read “misbehaviour”.

CORRIGENDA

THE DADRA AND NAGAR HAVELI MUNICIPAL COUNCIL (AMENDMENT)
REGULATION, 2018

No. 2 OF 2018

In the DADRA AND NAGAR HAVELI MUNICIPAL COUNCIL (AMENDMENT) REGULATION, 2018 (2 OF 2018) as published in the Gazette of India, Extraordinary, Part II, **Section 1, Issue No. 14, dated the 26th March, 2018, —**

- (i) at page 8, in line 46, *for* “misbehavior” *read* “misbehaviour”; and
- (ii) at page 9, in line 2, *for* “misbehavior” *read* “misbehaviour”.

CORRIGENDA

THE ANDAMAN AND NICOBAR ISLANDS (MUNICIPAL) AMENDMENT
REGULATION, 2018

No. 3 OF 2018

In the ANDAMAN AND NICOBAR ISLANDS (MUNICIPAL) AMENDMENT REGULATION, 2018 (3 OF 2018) as published in the Gazette of India, Extraordinary, Part II, **Section 1, Issue No. 15, dated the 26th March, 2018, —**

- (i) at page 3, in line 31, *for* “one months” *read* “one month”;
- (ii) at page 6, in line 30, *for* “inquiry” *read* “inquire”; and
- (iii) at page 11, in line 32, *for* “ther” *read* “the”.

DR. G. NARAYANA RAJU,
Secy. to the Government of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 18] नई दिल्ली, बृहस्पतिवार, मार्च 29, 2018/ चैत्र 8, 1940 (शक)
No. 18] NEW DELHI, THURSDAY, MARCH 29, 2018/CHAITRA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th March, 2018, and is hereby published for general information:—

THE APPROPRIATION (No. 2) ACT, 2018

No. 14 OF 2018

[29th March, 2018.]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 2018-19.

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

1. This Act may be called the Appropriation (No. 2) Act, 2018. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of Ninety-four lakh sixty-one thousand five hundred twenty-four crore and eight lakh rupees towards defraying the several charges which will come in course of payment during the financial year 2018-19 in respect of the services specified in column 2 of the Schedule. Issue of
Rs. 9461524,08,00,000
out of the
Consolidated
Fund of India for
the financial year
2018-19.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.
4. References to Ministries or Departments in the Schedule are to such Ministries or Departments as existing immediately before the 13th September, 2017 and shall, on or after that date, be construed as references to the appropriate Ministries or Departments as reconstituted from time to time. Construction
of references
to Ministries or
Departments in
the Schedule.

THE SCHEDULE
(See sections 2, 3 and 4)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
1	Department of Agriculture, Cooperation and Farmers' Welfare.....	Revenue	46586,30,00,000	...	46586,30,00,000
		Capital	113,70,00,000	...	113,70,00,000
2	Department of Agricultural Research and Education	Revenue	7800,00,00,000	...	7800,00,00,000
3	Department of Animal Husbandry, Dairying and Fisheries	Revenue	3536,11,00,000	...	3536,11,00,000
		Capital	43,89,00,000	...	43,89,00,000
4	Department of Atomic Energy	Revenue	13928,15,00,000	1,00,00,000	13929,15,00,000
		Capital	7588,73,00,000	50,00,000	7589,23,00,000
5	Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH).....	Revenue	2107,10,00,000	...	2107,10,00,000
		Capital	23,70,00,000	...	23,70,00,000
6	Department of Chemicals and Petrochemicals	Revenue	199,65,00,000	...	199,65,00,000
7	Department of Fertilisers	Revenue	73485,35,00,000	...	73485,35,00,000
		Capital	4,00,000	...	4,00,000
8	Department of Pharmaceuticals	Revenue	261,47,00,000	...	261,47,00,000
		Capital	6,00,000	...	6,00,000
9	Ministry of Civil Aviation	Revenue	5881,86,00,000	...	5881,86,00,000
		Capital	721,00,00,000	...	721,00,00,000
10	Ministry of Coal	Revenue	770,91,00,000	...	770,91,00,000
11	Department of Commerce	Revenue	4741,70,00,000	...	4741,70,00,000
		Capital	510,00,00,000	...	510,00,00,000
12	Department of Industrial Policy and Promotion	Revenue	5430,56,00,000	...	5430,56,00,000
		Capital	709,67,00,000	...	709,67,00,000
13	Department of Posts	Revenue	28514,24,00,000	80,00,000	28515,04,00,000
		Capital	757,52,00,000	...	757,52,00,000
14	Department of Telecommunications	Revenue	33052,53,00,000	...	33052,53,00,000
		Capital	5002,75,00,000	...	5002,75,00,000
15	Department of Consumer Affairs	Revenue	1755,93,00,000	...	1755,93,00,000
		Capital	48,59,00,000	...	48,59,00,000
16	Department of Food and Public Distribution	Revenue	173735,00,00,000	...	173735,00,00,000
		Capital	50424,10,00,000	...	50424,10,00,000
17	Ministry of Corporate Affairs	Revenue	567,65,00,000	...	567,65,00,000
		Capital	26,50,00,000	...	26,50,00,000
18	Ministry of Culture	Revenue	2764,28,00,000	...	2764,28,00,000
		Capital	79,04,00,000	...	79,04,00,000
19	Ministry of Defence (Misc.)	Revenue	28457,28,00,000	76,00,000	28458,04,00,000
		Capital	6616,73,00,000	35,00,00,000	6651,73,00,000
20	Defence Services (Revenue)	Revenue	205018,34,00,000	107,46,00,000	205125,80,00,000
21	Capital Outlay on Defence Services	Capital	93897,78,00,000	84,35,00,000	93982,13,00,000
22	Defence Pensions	Revenue	108850,84,00,000	2,46,00,000	108853,30,00,000
23	Ministry of Development of North Eastern Region	Revenue	2326,00,00,000	...	2326,00,00,000
		Capital	734,00,00,000	...	734,00,00,000
24	Ministry of Drinking Water and Sanitation	Revenue	22356,60,00,000	...	22356,60,00,000
25	Ministry of Earth Sciences	Revenue	1704,28,00,000	...	1704,28,00,000
		Capital	100,00,00,000	...	100,00,00,000
26	Ministry of Electronics and Information Technology ..	Revenue	5675,00,00,000	...	5675,00,00,000
		Capital	325,00,00,000	...	325,00,00,000
27	Ministry of Environment, Forests and Climate Change	Revenue	2594,67,00,000	...	2594,67,00,000
		Capital	88,75,00,000	...	88,75,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
28	Ministry of External Affairs	Revenue	13374,47,00,000	3,00,000	13374,50,00,000
		Capital	1636,50,00,000	...	1636,50,00,000
29	Department of Economic Affairs	Revenue	4871,23,00,000	...	4871,23,00,000
		Capital	13458,23,00,000	...	13458,23,00,000
30	Department of Expenditure	Revenue	413,33,00,000	...	413,33,00,000
31	Department of Financial Services	Revenue	1739,05,00,000	...	1739,05,00,000
		Capital	69838,01,00,000	...	69838,01,00,000
32	Department of Investment and Public Asset Management (DIPAM)	Revenue	44,00,00,000	...	44,00,00,000
33	Department of Revenue	Revenue	180941,24,00,000	2,00,000	180941,26,00,000
		Capital	8,44,00,00,000	...	8,44,00,00,000
34	Direct Taxes	Revenue	6728,00,00,000	...	6728,00,00,000
		Capital	254,00,00,000	...	254,00,00,000
35	Indirect Taxes	Revenue	7418,00,00,000	50,00,000	7418,50,00,000
		Capital	407,00,00,000	...	407,00,00,000
36	Indian Audit and Accounts Department	Revenue	4453,59,00,000	160,53,00,000	4614,12,00,000
		Capital	16,00,00,000	...	16,00,00,000
	CHARGED.—Interest Payments	Revenue	...	590794,95,00,000	590794,95,00,000
	CHARGED.—Repayment of Debt	Capital	...	6084973,37,00,000	6084973,37,00,000
39	Pensions	Revenue	47170,00,00,000	260,00,00,000	47430,00,00,000
40	Transfers to States	Revenue	32500,00,00,000	109373,50,00,000	141873,50,00,000
		Capital	...	20100,00,00,000	20100,00,00,000
41	Ministry of Food Processing Industries	Revenue	1400,00,00,000	...	1400,00,00,000
42	Department of Health and Family Welfare	Revenue	74349,45,00,000	...	74349,45,00,000
		Capital	2720,40,00,000	...	2720,40,00,000
43	Department of Health Research	Revenue	3216,00,00,000	...	3216,00,00,000
44	Department of Heavy Industry	Revenue	739,24,00,000	...	739,24,00,000
		Capital	386,49,00,000	...	386,49,00,000
45	Department of Public Enterprises	Revenue	20,44,00,000	...	20,44,00,000
46	Ministry of Home Affairs	Revenue	4468,89,00,000	2,00,000	4468,91,00,000
		Capital	324,45,00,000	...	324,45,00,000
47	Cabinet	Revenue	770,00,00,000	...	770,00,00,000
48	Police	Revenue	77305,24,00,000	9,56,00,000	77314,80,00,000
		Capital	11057,35,00,000	6,10,00,000	11063,45,00,000
49	Andaman and Nicobar Island	Revenue	3992,99,00,000	1,00,000	3993,00,00,000
		Capital	600,86,00,000	...	600,86,00,000
50	Chandigarh	Revenue	3962,47,00,000	44,41,00,000	4006,88,00,000
		Capital	430,03,00,000	75,00,00,000	505,03,00,000
51	Dadra and Nagar Haveli	Revenue	802,99,00,000	1,00,000	803,00,00,000
		Capital	318,34,00,000	...	318,34,00,000
52	Daman and Diu	Revenue	1364,06,00,000	2,00,000	1364,08,00,000
		Capital	311,41,00,000	...	311,41,00,000
53	Lakshadweep	Revenue	1130,61,00,000	...	1130,61,00,000
		Capital	266,70,00,000	...	266,70,00,000
54	Transfer to Delhi	Revenue	790,00,00,000	...	790,00,00,000
55	Transfer to Puduchery	Revenue	1476,00,00,000	...	1476,00,00,000
56	Ministry of Housing and Urban Affairs	Revenue	25509,93,00,000	88,22,00,000	25598,15,00,000
		Capital	16314,69,00,000	101,16,00,000	16415,85,00,000
57	Department of School Education and Literacy	Revenue	82516,30,00,000	...	82516,30,00,000
58	Department of Higher Education	Revenue	46778,08,00,000	...	46778,08,00,000
		Capital	2752,00,00,000	...	2752,00,00,000
59	Ministry of Information and Broadcasting	Revenue	4065,58,00,000	...	4065,58,00,000
		Capital	23,40,00,000	...	23,40,00,000
60	Ministry of Labour and Employment	Revenue	7677,75,00,000	...	7677,75,00,000
		Capital	22,25,00,000	...	22,25,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
61	Ministry of Law and Justice	Revenue	2586,33,00,000	...	2586,33,00,000
		Capital	1800,00,00,000	...	1800,00,00,000
62	Election Commission	Revenue	248,66,00,000	...	248,66,00,000
		Capital	19,30,00,000	...	19,30,00,000
	CHARGED.— <i>Supreme Court of India</i>	Revenue	...	251,06,00,000	251,06,00,000
64	Ministry of Micro, Small and Medium Enterprises ..	Revenue	6540,04,00,000	...	6540,04,00,000
		Capital	12,57,00,000	...	12,57,00,000
65	Ministry of Mines	Revenue	1899,25,00,000	5,00,000	1899,30,00,000
		Capital	170,22,00,000	...	170,22,00,000
66	Ministry of Minority Affairs	Revenue	4534,96,00,000	...	4534,96,00,000
		Capital	165,04,00,000	...	165,04,00,000
67	Ministry of New and Renewable Energy	Revenue	5106,23,00,000	...	5106,23,00,000
		Capital	40,40,00,000	...	40,40,00,000
68	Ministry of Panchayati Raj	Revenue	825,17,00,000	...	825,17,00,000
69	Ministry of Parliamentary Affairs	Revenue	18,86,00,000	...	18,86,00,000
70	Ministry of Personnel, Public Grievances and Pensions	Revenue	1438,68,00,000	4,29,00,000	1442,97,00,000
		Capital	81,88,00,000	2,15,00,000	84,03,00,000
	CHARGED.— <i>Central Vigilance Commission.</i>	Revenue	...	32,61,00,000	32,61,00,000
72	Ministry of Petroleum and Natural Gas	Revenue	27391,55,00,000	...	27391,55,00,000
		Capital	3709,00,00,000	...	3709,00,00,000
73	Ministry of Planning	Revenue	338,97,00,000	...	338,97,00,000
		Capital	68,00,000	...	68,00,000
74	Ministry of Power	Revenue	13434,97,00,000	...	13434,97,00,000
		Capital	2334,95,00,000	...	2334,95,00,000
	CHARGED.— <i>Staff, Household and Allowances of the President</i>	Revenue	...	60,05,00,000	60,05,00,000
76	Lok Sabha	Revenue	773,82,00,000	1,15,00,000	774,97,00,000
77	Rajya Sabha	Revenue	386,72,00,000	1,22,00,000	387,94,00,000
78	Secretariat of the Vice-President	Revenue	5,57,00,000	...	5,57,00,000
	CHARGED.— <i>Union Public Service Commission</i>	Revenue	...	297,61,00,000	297,61,00,000
80	Ministry of Railways	Revenue	252703,08,00,000	395,93,00,000	253099,01,00,000
		Capital	193103,31,00,000	167,46,00,000	193270,77,00,000
81	Ministry of Road Transport and Highways	Revenue	23153,10,00,000	...	23153,10,00,000
		Capital	118170,50,00,000	10,00,00,000	118180,50,00,000
82	Department of Rural Development	Revenue	183393,17,00,000	...	183393,17,00,000
		Capital	5,25,00,000	...	5,25,00,000
83	Department of Land Resources	Revenue	2511,40,00,000	...	2511,40,00,000
84	Department of Science and Technology	Revenue	5067,36,00,000	2,00,000	5067,38,00,000
		Capital	67,50,00,000	...	67,50,00,000
85	Department of Biotechnology	Revenue	2411,53,00,000	...	2411,53,00,000
86	Department of Scientific and Industrial Research	Revenue	4786,97,00,000	...	4786,97,00,000
		Capital	9,00,00,000	...	9,00,00,000
87	Ministry of Shipping	Revenue	1839,47,00,000	...	1839,47,00,000
		Capital	421,66,00,000	...	421,66,00,000
88	Ministry of Skill Development and Entrepreneurship	Revenue	3141,00,00,000	...	3141,00,00,000
		Capital	259,00,00,000	...	259,00,00,000
89	Department of Social Justice and Empowerment	Revenue	7342,60,00,000	...	7342,60,00,000
		Capital	407,40,00,000	...	407,40,00,000
90	Department of Empowerment of Persons with Disabilities	Revenue	1031,52,00,000	...	1031,52,00,000
		Capital	38,48,00,000	...	38,48,00,000
91	Department of Space	Revenue	5495,58,00,000	60,00,000	5496,18,00,000
		Capital	5286,84,00,000	40,00,000	5287,24,00,000
92	Ministry of Statistics and Programme Implementation	Revenue	4844,00,00,000	...	4844,00,00,000
		Capital	15,00,00,000	...	15,00,00,000
93	Ministry of Steel	Revenue	47,90,00,000	...	47,90,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
94	Ministry of Textiles Revenue	7109,84,00,000	...	7109,84,00,000
	Capital	37,89,00,000	...	37,89,00,000
95	Ministry of Tourism Revenue	2149,99,00,000	...	2149,99,00,000
	Capital	1,00,000	...	1,00,000
96	Ministry of Tribal Affairs Revenue	999,08,00,000	4935,92,00,000	5935,00,00,000
	Capital	65,00,00,000	...	65,00,00,000
97	Ministry of Water Resources, River Development and Ganga Rejuvenation Revenue	8188,51,00,000	1,00,00,000	8189,51,00,000
	Capital	730,87,00,000	1,00,000	730,88,00,000
98	Ministry of Women and Child Development Revenue	25199,99,00,000	...	25199,99,00,000
	Capital	1,00,000	...	1,00,000
99	Ministry of Youth Affairs and Sports Revenue	2138,31,00,000	...	2138,31,00,000
	Capital	58,04,00,000	...	58,04,00,000
	TOTAL:	2649142,81,00,000	6812381,27,00,000	9461524,08,00,000

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 19] नई दिल्ली, बृहस्पतिवार, मार्च 29, 2018/चैत्र 8, 1940 (शक)
No. 19] NEW DELHI, THURSDAY, MARCH 29, 2018/CHAITRA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 29th March, 2018/Chaitra 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th March, 2018, and is hereby published for general information:—

THE APPROPRIATION (No. 3) ACT, 2018

No. 15 OF 2018

[29th March, 2018.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2017-18.

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

1. This Act may be called the Appropriation (No. 3) Act, 2018.

Short title.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of Nine lakh six thousand eight hundred thirty-five crore and seventy-seven lakh rupees towards defraying the several charges which will come in course of payment during the financial year 2017-18 in respect of the services specified in column 2 of the Schedule.

Issue of Rs. 906835,77,00,000 out of the Consolidated Fund of India for the financial year 2017-18.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appropriation.

THE SCHEDULE
(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Department of Agriculture, Cooperation and Farmers' Welfare Revenue	3,00,000	..	3,00,000
2	Department of Agricultural Research and Education Revenue	2,00,000	..	2,00,000
3	Department of Animal Husbandry, Dairying and Fisheries Revenue	1,00,000	..	1,00,000
4	Atomic Energy Revenue	1,00,000	..	1,00,000
	Capital	92,88,00,000	..	92,88,00,000
5	Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH) Revenue	493,50,00,000	..	493,50,00,000
6	Department of Chemicals and Petrochemicals Revenue	1,00,000	..	1,00,000
8	Department of Pharmaceuticals Revenue	2,00,000	..	2,00,000
9	Ministry of Civil Aviation Revenue	2,00,00,000	..	2,00,00,000
10	Ministry of Coal Revenue	1,00,000	..	1,00,000
11	Department of Commerce Revenue	20,27,00,000	..	20,27,00,000
12	Department of Industrial Policy and Promotion Revenue	1,00,000	..	1,00,000
	Capital	525,55,00,000	..	525,55,00,000
13	Department of Posts Revenue	2041,43,00,000	5,77,00,000	2047,20,00,000
	Capital	108,15,00,000	..	108,15,00,000
14	Department of Telecommunications Capital	1574,54,00,000	..	1574,54,00,000
16	Department of Food and Public Distribution Revenue	1,00,000	..	1,00,000
	Capital	1,00,000	..	1,00,000
17	Ministry of Corporate Affairs Revenue	1,00,000	..	1,00,000
18	Ministry of Culture Revenue	2,00,000	..	2,00,000
19	Ministry of Defence (Misc.) Revenue	578,69,00,000	92,00,000	579,61,00,000
	Capital	4,00,000	..	4,00,000
20	Defence Services (Revenue) Revenue	4,00,000	..	4,00,000
21	Capital Outlay on Defence Services Capital	1,00,000	113,31,00,000	113,32,00,000
22	Defence Pensions Revenue	9260,23,00,000	..	9260,23,00,000
23	Ministry of Development of North Eastern Region Revenue	134,00,00,000	..	134,00,00,000
24	Ministry of Drinking Water and Sanitation Revenue	4000,00,00,000	..	4000,00,00,000
25	Ministry of Earth Sciences Revenue	3,00,000	..	3,00,000
	Capital	2,00,000	..	2,00,000
26	Ministry of Electronics and Information Technology Revenue	9,56,00,000	36,67,00,000	46,23,00,000
27	Ministry of Environment, Forests and Climate Change .. Revenue	3,00,000	..	3,00,000
29	Department of Economic Affairs Revenue	4,00,000	..	4,00,000
	Capital	2,00,000	..	2,00,000
31	Department of Financial Services Revenue	2,00,000	..	2,00,000
	Capital	7832,01,00,000	..	7832,01,00,000
33	Department of Revenue Revenue	123215,57,00,000	..	123215,57,00,000
34	Direct Taxes Revenue	305,09,00,000	..	305,09,00,000
35	Indirect Taxes Revenue	1,00,000	..	1,00,000
	Capital	1,00,000	..	1,00,000
	CHARGED.—Interest Payments Revenue	..	5721,90,00,000	5721,90,00,000
	CHARGED.—Repayment of Debt Capital	..	694966,17,00,000	694966,17,00,000
42	Department of Health and Family Welfare Revenue	27594,44,00,000	..	27594,44,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Capital	2257,70,00,000	..	2257,70,00,000
43	Department of Health Research Revenue	1413,60,00,000	..	1413,60,00,000
44	Department of Heavy Industry Revenue	1,00,000	..	1,00,000
	Capital	1,00,000	..	1,00,000
46	Ministry of Home Affairs Revenue	31,07,00,000	..	31,07,00,000
48	Police Revenue	583,30,00,000	..	583,30,00,000
	Capital	1,00,000	..	1,00,000
49	Andaman and Nicobar Islands Revenue	54,18,00,000	..	54,18,00,000
	Capital	10,00,000	..	10,00,000
50	Chandigarh Revenue	2,00,000	..	2,00,000
	Capital	4,00,000	..	4,00,000
51	Dadra and Nagar Haveli Revenue	66,40,00,000	..	66,40,00,000
52	Daman and Diu Revenue	2,00,000	..	2,00,000
	Capital	28,39,00,000	..	28,39,00,000
53	Lakshadweep Capital	2,00,000	..	2,00,000
56	Ministry of Housing and Urban Poverty Alleviation Revenue	2850,00,00,000	..	2850,00,00,000
57	Department of School Education and Literacy Revenue	6828,59,00,000	..	6828,59,00,000
58	Department of Higher Education Revenue	6403,53,00,000	..	6403,53,00,000
59	Ministry of Information and Broadcasting Revenue	1,00,000	..	1,00,000
	Capital	1,00,000	..	1,00,000
60	Ministry of Labour and Employment Revenue	1,00,000	..	1,00,000
61	Law and Justice Capital	413,47,00,000	..	413,47,00,000
64	Ministry of Micro, Small and Medium Enterprises Revenue	1,00,000	..	1,00,000
65	Ministry of Mines Revenue	200,00,00,000	..	200,00,00,000
66	Ministry of Minority Affairs Revenue	3,00,000	..	3,00,000
67	Ministry of New and Renewable Energy Revenue	1,00,000	..	1,00,000
68	Ministry of Panchayati Raj Revenue	1,00,000	..	1,00,000
69	Ministry of Parliamentary Affairs Revenue	1,00,000	..	1,00,000
70	Ministry of Personnel, Public Grievances and Pensions ... Capital	7,31,00,000	16,22,00,000	23,53,00,000
72	Ministry of Petroleum and Natural Gas Revenue	400,00,00,000	..	400,00,00,000
74	Ministry of Power Revenue	2,00,000	..	2,00,000
	Capital	160,00,00,000	..	160,00,00,000
80	Ministry of Railways Revenue	418,30,00,000	250,70,00,000	669,00,00,000
	Capital	1,00,000	613,71,00,000	613,72,00,000
81	Ministry of Road Transport and Highways Revenue	1,00,000	..	1,00,000
	Capital	2529,27,00,000	..	2529,27,00,000
84	Department of Science and Technology Revenue	1,00,000	..	1,00,000
86	Department of Scientific and Industrial Research Revenue	185,35,00,000	..	185,35,00,000
	Capital	2,00,000	..	2,00,000
87	Ministry of Shipping Revenue	7,22,00,000	..	7,22,00,000
	Capital	1,00,000	..	1,00,000
88	Ministry of Skill Development and Entrepreneurship ... Revenue	2,00,000	..	2,00,000
89	Department of Social Justice and Empowerment Revenue	5,19,00,000	..	5,19,00,000
	Capital	1,00,000	..	1,00,000
90	Department of Empowerment of Persons with Disabilities Revenue	100,00,00,000	..	100,00,00,000
91	Department of Space Revenue	340,27,00,000	..	340,27,00,000
	Capital	1,00,000	..	1,00,000

1 No. of Vote	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
92	Ministry of Statistics and Programme Implementation... Revenue	12,00,00,000	..	12,00,00,000
94	Ministry of Textiles Revenue	10,02,00,000	..	10,02,00,000
95	Ministry of Tourism Revenue	1,00,000	..	1,00,000
96	Ministry of Tribal Affairs Revenue	3,28,00,000	<i>144,13,00,000</i>	147,41,00,000
97	Ministry of Urban Development Revenue	1120,00,00,000	..	1120,00,00,000
	Capital	1,00,000	..	1,00,000
98	Ministry of Water Resources, River Development and Ganga Rejuvenation Revenue	727,61,00,000	..	727,61,00,000
	Capital	2,36,00,000	..	2,36,00,000
99	Ministry of Women and Child Development Revenue	2,00,000	..	2,00,000
100	Ministry of Youth Affairs and Sports Revenue	19,02,00,000	..	19,02,00,000
	TOTAL:	204966,27,00,000	<i>701869,50,00,000</i>	906835,77,00,000

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 28] नई दिल्ली, बृहस्पतिवार, जुलाई 26, 2018/ श्रावण 4, 1940 (शक)
No. 28] NEW DELHI, THURSDAY, JULY 26, 2018/SHRAVANA 4, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 26th July, 2018/Shravana 4, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 26th July, 2018, and is hereby published for general information:—

THE PREVENTION OF CORRUPTION (AMENDMENT) ACT, 2018

No. 16 OF 2018

[26th July, 2018.]

An Act further to amend the Prevention of Corruption Act, 1988.

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

1. (1) This Act may be called the Prevention of Corruption (Amendment) Act, 2018.

Short title and commencement.

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

49 of 1988.

2. In the Prevention of Corruption Act, 1988 (hereinafter referred to as the principal Act), in section 2,—

Amendment of section 2.

(i) after clause (a), the following clause shall be inserted, namely:—

‘(aa) “prescribed” means prescribed by rules made under this Act and the expression “prescribe” shall be construed accordingly;’

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

‘(d) “undue advantage” means any gratification whatever, other than legal remuneration.

Explanation.—For the purposes of this clause,—

(a) the word “gratification” is not limited to pecuniary gratifications or to gratifications estimable in money;

(b) the expression “legal remuneration” is not restricted to remuneration paid to a public servant, but includes all remuneration which he is permitted by the Government or the organisation, which he serves, to receive.’.

Amendment of section 4.

3. In section 4 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the trial of an offence shall be held, as far as practicable, on day-to-day basis and an endeavour shall be made to ensure that the said trial is concluded within a period of two years:

2 of 1974.

Provided that where the trial is not concluded within the said period, the special Judge shall record the reasons for not having done so:

Provided further that the said period may be extended by such further period, for reasons to be recorded in writing but not exceeding six months at a time; so, however, that the said period together with such extended period shall not exceed ordinarily four years in aggregate.”.

Substitution of new sections for sections 7, 8, 9 and 10.

4. For sections 7, 8, 9 and 10 of the principal Act, the following sections shall be substituted, namely:—

Offence relating to public servant being bribed.

“7. Any public servant who,—

(a) obtains or accepts or attempts to obtain from any person, an undue advantage, with the intention to perform or cause performance of public duty improperly or dishonestly or to forbear or cause forbearance to perform such duty either by himself or by another public servant; or

(b) obtains or accepts or attempts to obtain, an undue advantage from any person as a reward for the improper or dishonest performance of a public duty or for forbearing to perform such duty either by himself or another public servant; or

(c) performs or induces another public servant to perform improperly or dishonestly a public duty or to forbear performance of such duty in anticipation of or in consequence of accepting an undue advantage from any person,

shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine.

Explanation 1.—For the purpose of this section, the obtaining, accepting, or the attempting to obtain an undue advantage shall itself constitute an offence even if the performance of a public duty by public servant, is not or has not been improper.

Illustration.—A public servant, ‘S’ asks a person, ‘P’ to give him an amount of five thousand rupees to process his routine ration card application on time. ‘S’ is guilty of an offence under this section.

Explanation 2.—For the purpose of this section,—

(i) the expressions “obtains” or “accepts” or “attempts to obtain” shall cover cases where a person being a public servant, obtains or “accepts” or attempts to obtain, any undue advantage for himself or for another person, by abusing his position as a public servant or by using his personal influence over another public servant; or by any other corrupt or illegal means;

(ii) it shall be immaterial whether such person being a public servant obtains or accepts, or attempts to obtain the undue advantage directly or through a third party.

“7A. Whoever accepts or obtains or attempts to obtain from another person for himself or for any other person any undue advantage as a motive or reward to induce a public servant, by corrupt or illegal means or by exercise of his personal influence to perform or to cause performance of a public duty improperly or dishonestly or to forbear or to cause to forbear such public duty by such public servant or by another public servant, shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine.

Taking undue advantage to influence public servant by corrupt or illegal means or by exercise of personal influence.

8. (1) Any person who gives or promises to give an undue advantage to another person or persons, with intention—

Offence relating to bribing of a public servant.

(i) to induce a public servant to perform improperly a public duty; or

(ii) to reward such public servant for the improper performance of public duty;

shall be punishable with imprisonment for a term which may extend to seven years or with fine or with both:

Provided that the provisions of this section shall not apply where a person is compelled to give such undue advantage:

Provided further that the person so compelled shall report the matter to the law enforcement authority or investigating agency within a period of seven days from the date of giving such undue advantage:

Provided also that when the offence under this section has been committed by commercial organisation, such commercial organisation shall be punishable with fine.

Illustration.—A person, ‘P’ gives a public servant, ‘S’ an amount of ten thousand rupees to ensure that he is granted a license, over all the other bidders. ‘P’ is guilty of an offence under this sub-section.

Explanation.—It shall be immaterial whether the person to whom an undue advantage is given or promised to be given is the same person as the person who is to perform, or has performed, the public duty concerned, and, it shall also be immaterial whether such undue advantage is given or promised to be given by the person directly or through a third party.

(2) Nothing in sub-section (1) shall apply to a person, if that person, after informing a law enforcement authority or investigating agency, gives or promises to give any undue advantage to another person in order to assist such law enforcement authority or investigating agency in its investigation of the offence alleged against the later.

9. (1) Where an offence under this Act has been committed by a commercial organisation, such organisation shall be punishable with fine, if any person associated with such commercial organisation gives or promises to give any undue advantage to a public servant intending—

Offence relating to bribing a public servant by a commercial organisation.

(a) to obtain or retain business for such commercial organisation; or

(b) to obtain or retain an advantage in the conduct of business for such commercial organisation:

Provided that it shall be a defence for the commercial organisation to prove that it had in place adequate procedures in compliance of such guidelines as may be prescribed to prevent persons associated with it from undertaking such conduct.

(2) For the purposes of this section, a person is said to give or promise to give any undue advantage to a public servant, if he is alleged to have committed the offence under section 8, whether or not such person has been prosecuted for such offence.

(3) For the purposes of section 8 and this section,—

(a) “commercial organisation” means—

(i) a body which is incorporated in India and which carries on a business, whether in India or outside India;

(ii) any other body which is incorporated outside India and which carries on a business, or part of a business, in any part of India;

(iii) a partnership firm or any association of persons formed in India and which carries on a business whether in India or outside India; or

(iv) any other partnership or association of persons which is formed outside India and which carries on a business, or part of a business, in any part of India;

(b) “business” includes a trade or profession or providing service;

(c) a person is said to be associated with the commercial organisation, if such person performs services for or on behalf of the commercial organisation irrespective of any promise to give or giving of any undue advantage which constitutes an offence under sub-section (1).

Explanation 1.—The capacity in which the person performs services for or on behalf of the commercial organisation shall not matter irrespective of whether such person is employee or agent or subsidiary of such commercial organisation.

Explanation 2.—Whether or not the person is a person who performs services for or on behalf of the commercial organisation is to be determined by reference to all the relevant circumstances and not merely by reference to the nature of the relationship between such person and the commercial organisation.

Explanation 3.—If the person is an employee of the commercial organisation, it shall be presumed unless the contrary is proved that such person is a person who has performed services for or on behalf of the commercial organisation.

(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the offence under sections 7A, 8 and this section shall be cognizable.

2 of 1974.

(5) The Central Government shall, in consultation with the concerned stakeholders including departments and with a view to preventing persons associated with commercial organisations from bribing any person, being a public servant, prescribe such guidelines as may be considered necessary which can be put in place for compliance by such organisations.

Person in charge of commercial organisation to be guilty of offence.

10. Where an offence under section 9 is committed by a commercial organisation, and such offence is proved in the court to have been committed with the consent or connivance of any director, manager, secretary or other officer shall be of the commercial organisation, such director, manager, secretary or other officer shall be guilty of the offence and shall be liable to be proceeded against and shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine.

Explanation.—For the purposes of this section, “director”, in relation to a firm means a partner in the firm.”.

Amendment of section 11.

5. In section 11 of the principal Act,—

(i) in the marginal heading, for the words “valuable thing”, the words “undue advantage” shall be substituted;

(ii) the words “or agrees to accept” shall be omitted;

(iii) for the words “valuable thing”, the words “undue advantage” shall be substituted;

(iv) for the words “official functions”, the words “official functions or public duty” shall be substituted.

Substitution of new section for section 12.

6. For section 12 of the principal Act, the following section shall be substituted, namely:—

<p>“12. Whoever abets any offence punishable under this Act, whether or not that offence is committed in consequence of that abetment, shall be punishable with imprisonment for a term which shall be not less than three years, but which may extend to seven years and shall also be liable to fine.”.</p>	<p>Punishment for abetment of offences.</p>
<p>7. In section 13 of the principal Act, for sub-section (I), the following shall be substituted, namely:—</p>	<p>Amendment of section 13.</p>
<p>“(I) A public servant is said to commit the offence of criminal misconduct,—</p> <p>(a) if he dishonestly or fraudulently misappropriates or otherwise converts for his own use any property entrusted to him or any property under his control as a public servant or allows any other person so to do; or</p> <p>(b) if he intentionally enriches himself illicitly during the period of his office.</p>	
<p><i>Explanation 1.</i>—A person shall be presumed to have intentionally enriched himself illicitly if he or any person on his behalf, is in possession of or has, at any time during the period of his office, been in possession of pecuniary resources or property disproportionate to his known sources of income which the public servant cannot satisfactorily account for.</p>	
<p><i>Explanation 2.</i>—The expression “known sources of income” means income received from any lawful sources.”.</p>	
<p>8. For section 14 of the principal Act, the following section shall be substituted, namely:—</p>	<p>Substitution of new section for section 14.</p>
<p>“14. Whoever convicted of an offence under this Act subsequently commits an offence punishable under this Act, shall be punishable with imprisonment for a term which shall be not less than five years but which may extend to ten years and shall also be liable to fine.”.</p>	<p>Punishment for habitual offender.</p>
<p>9. In section 15 of the principal Act, for the words, brackets and letters “clause (c) or clause (d)”, the word, brackets, and letter “clause (a)” shall be substituted.</p>	<p>Amendment of section 15.</p>
<p>10. In section 16 of the principal Act,—</p> <p>(a) for the words, brackets and figures, “sub-section (2) of section 13 or section 14”, the words, figures and brackets “section 7 or section 8 or section 9 or section 10 or section 11 or sub-section (2) of section 13 or section 14 or section 15” shall be substituted;</p> <p>(b) for the word, brackets and letter “clause (e)”, the word, brackets and letter “clause (b)” shall be substituted.</p>	<p>Amendment of section 16.</p>
<p>11. In section 17 of the principal Act, in the second proviso, for the words, brackets, letter and figure “clause (e) of sub-section (I)”, the words, brackets, letter and figure “clause (b) of sub-section (I)” shall be substituted.</p>	<p>Amendment of section 17.</p>
<p>12. After section 17 of the principal Act, the following section shall be inserted, namely:—</p>	<p>Insertion of new section 17A.</p>
<p>“17A. (I) No police officer shall conduct any enquiry or inquiry or investigation into any offence alleged to have been committed by a public servant under this Act, where the alleged offence is relatable to any recommendation made or decision taken by such public servant in discharge of his official functions or duties, without the previous approval—</p>	<p>Enquiry or Inquiry or investigation of offences relatable to recommendations made or decision taken by public servant in discharge of official functions or duties.</p>
<p>(a) in the case of a person who is or was employed, at the time when the offence was alleged to have been committed, in connection with the affairs of the Union, of that Government;</p>	
<p>(b) in the case of a person who is or was employed, at the time when the offence was alleged to have been committed, in connection with the affairs of a State, of that Government;</p>	

(c) in the case of any other person, of the authority competent to remove him from his office, at the time when the offence was alleged to have been committed:

Provided that no such approval shall be necessary for cases involving arrest of a person on the spot on the charge of accepting or attempting to accept any undue advantage for himself or for any other person:

Provided further that the concerned authority shall convey its decision under this section within a period of three months, which may, for reasons to be recorded in writing by such authority, be extended by a further period of one month.”.

Insertion of new Chapter IVA.

13. After Chapter IV of the principal Act, the following Chapter shall be inserted, namely:—

‘CHAPTER IVA

ATTACHMENT AND FORFEITURE OF PROPERTY

Provisions of Criminal Law Amendment Ordinance, 1944 to apply to attachment under this Act.

18A. (1) Save as otherwise provided under the Prevention of Money Laundering Act, 2002, the provisions of the Criminal Law Amendment Ordinance, 1944 shall, as far as may be, apply to the attachment, administration of attached property and execution of order of attachment or confiscation of money or property procured by means of an offence under this Act.

15 of 2003.
Ord. 38 of 1944.

(2) For the purposes of this Act, the provisions of the Criminal Law Amendment Ordinance, 1944 shall have effect, subject to the modification that the references to “District Judge” shall be construed as references to “Special Judge”.

Ord. 38 of 1944.

Amendment of section 19.

14. In section 19 of the principal Act, in sub-section (1),—

(i) for the words and figures “sections 7, 10, 11, 13 and 15”, the words and figures “sections 7, 11, 13 and 15” shall be substituted;

(ii) in clause (a), for the words “who is employed”, the words “who is employed, or as the case may be, was at the time of commission of the alleged offence employed” shall be substituted;

(iii) in clause (b), for the words “who is employed”, the words “who is employed, or as the case may be, was at the time of commission of the alleged offence employed” shall be substituted;

(iv) after clause (c), the following shall be inserted, namely:—

“Provided that no request can be made, by a person other than a police officer or an officer of an investigation agency or other law enforcement authority, to the appropriate Government or competent authority, as the case may be, for the previous sanction of such Government or authority for taking cognizance by the court of any of the offences specified in this sub-section, unless—

(i) such person has filed a complaint in a competent court about the alleged offences for which the public servant is sought to be prosecuted; and

(ii) the court has not dismissed the complaint under section 203 of the Code of Criminal Procedure, 1973 and directed the complainant to obtain the sanction for prosecution against the public servant for further proceeding:

2 of 1974.

Provided further that in the case of request from the person other than a police officer or an officer of an investigation agency or other law enforcement authority, the appropriate Government or competent authority shall not accord sanction to prosecute a public servant without providing an opportunity of being heard to the concerned public servant:

Provided also that the appropriate Government or any competent authority shall, after the receipt of the proposal requiring sanction for prosecution of a public servant under this sub-section, endeavour to convey the decision on such proposal within a period of three months from the date of its receipt:

Provided also that in case where, for the purpose of grant of sanction for prosecution, legal consultation is required, such period may, for the reasons to be recorded in writing, be extended by a further period of one month:

Provided also that the Central Government may, for the purpose of sanction for prosecution of a public servant, prescribe such guidelines as it considers necessary.

Explanation.—For the purposes of sub-section (1), the expression "public servant" includes such person—

(a) who has ceased to hold the office during which the offence is alleged to have been committed; or

(b) who has ceased to hold the office during which the offence is alleged to have been committed and is holding an office other than the office during which the offence is alleged to have been committed."

15. For section 20 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 20.

"20. Where, in any trial of an offence punishable under section 7 or under section 11, it is proved that a public servant accused of an offence has accepted or obtained or attempted to obtain for himself, or for any other person, any undue advantage from any person, it shall be presumed, unless the contrary is proved, that he accepted or obtained or attempted to obtain that undue advantage, as a motive or reward under section 7 for performing or to cause performance of a public duty improperly or dishonestly either by himself or by another public servant or, as the case may be, any undue advantage without consideration or for a consideration which he knows to be inadequate under section 11."

Presumption where public servant accepts any undue advantage.

16. In section 23 of the principal Act,—

Amendment of section 23.

(a) in the marginal heading, for the word, figures, brackets and letter "section 13 (1) (c)", the word, figures, brackets and letter "section 13 (1) (A)" shall be substituted;

(b) for the word, brackets and letter "clause (c)", the word, brackets and letter "clause (a)" shall be substituted.

17. Section 24 of the principal Act shall be omitted.

Omission of section 24.

18. After section 29 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 29A.

"29A. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.

Power to make rules.

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

(a) guidelines which can be put in place by commercial organisation under section 9;"

(b) guidelines for sanction of prosecution under sub-section (1) of section 19;"

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

(3) Every rule made under this Act, shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the

rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.”.

Amendment
of Act 15 of
2003.

19. In the Prevention of Money Laundering Act, 2002, in Part A of the Schedule, for Paragraph 8, the following Paragraph shall be substituted, namely:—

“PARAGRAPH 8

OFFENCES UNDER THE PREVENTION OF CORRUPTION ACT, 1988

(49 OF 1988)

Section Description of offence.

7. Offence relating to public servant being bribed.
- 7A. Taking undue advantage to influence public servant by corrupt or illegal means or by exercise of personal influence.
8. Offence relating to bribing a public servant.
9. Offence relating to bribing a public servant by a commercial organisation.
10. Person in charge of commercial organisation to be guilty of offence.
11. Public servant obtaining undue advantage, without consideration from person concerned in proceeding or business transacted by such public servant.
12. Punishment for abetment of offences.
13. Criminal misconduct by a public servant.
14. Punishment for habitual offender.”.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

Section	Description of offence
---------	------------------------

XV. Offences under the Central Goods and Services Tax Act, 2017 (12 of 2017)

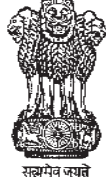
Sub-section (5) Punishment for certain offences.
of section 132

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

CORRIGENDA

IN THE PREVENTION OF CORRUPTION (AMENDMENT) ACT, 2018 (16 of 2018)
as published in the Gazette of India, Extraordinary, Part II, **Section 1, Issue No. 28, dated the 16th July, 2018—**

Page No.	Line(s) No.	<i>For</i>	<i>Read</i>
3	32	“later”	“latter”
5	3	“shall be not”	“shall not be”
5	23	“shall be not”	“shall not be”
5	39	“17A.(1)”	“17A.”
7	5	“presecrbe”	“prescribe”
7	26	“section 13(1) (A)”	“section 13(1) (a)”



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 29]

नई दिल्ली, बुधवार, अगस्त 1, 2018/ श्रावण 10, 1940 (शक)

No. 29] NEW DELHI, WEDNESDAY, AUGUST 1, 2018/SHRAVANA 10, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 1st August, 2018/Shravana 10, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 31st July, 2018, and is hereby published for general information:—

THE FUGITIVE ECONOMIC OFFENDERS ACT, 2018

No. 17 OF 2018

[31st July, 2018.]

An Act to provide for measures to deter fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian courts, to preserve the sanctity of the rule of law in India and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

- (1) This Act may be called the Fugitive Economic Offenders Act, 2018.
- (2) It extends to the whole of India.
- (3) It shall be deemed to have come into force on the 21st day of April, 2018.

Short title,
extent and
commencement.

Definitions.

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

(a) “Administrator” means an Administrator appointed under sub-section (1) of section 15;

(b) “benami property” and “benami transaction” shall have the same meanings as assigned to them under clauses (8) and (9) respectively of section 2 of the Prohibition of Benami Property Transactions Act, 1988;

45 of 1988.

(c) “contracting State” means any country or place outside India in respect of which arrangements have been made by the Central Government with the Government of such country through a treaty or otherwise;

(d) “Deputy Director” means the Deputy Director appointed under sub-section (1) of section 49 of the Prevention of Money-laundering Act, 2002;

15 of 2003.

(e) “Director” means the Director appointed under sub-section (1) of section 49 of the Prevention of Money-laundering Act, 2002;

15 of 2003.

(f) “fugitive economic offender” means any individual against whom a warrant for arrest in relation to a Scheduled Offence has been issued by any Court in India, who—

(i) has left India so as to avoid criminal prosecution; or

(ii) being abroad, refuses to return to India to face criminal prosecution;

(g) “key managerial personnel” shall have the same meaning as assigned to it in clause (51) of section 2 of the Companies Act, 2013;

18 of 2013.

(h) “notification” means a notification published in the Official Gazette and the expression “notify” shall be construed accordingly;

(i) “person” includes—

(i) an individual;

(ii) a Hindu Undivided Family;

(iii) a company;

(iv) a trust;

(v) a partnership;

(vi) a limited liability partnership;

(vii) an association of persons or a body of individuals, whether incorporated or not;

(viii) every artificial juridical person not falling within any of the preceding sub-clauses; and

(ix) any agency, office or branch owned or controlled by any of the above persons mentioned in the preceding sub-clauses;

(j) “prescribed” means prescribed by rules made under this Act;

(k) “proceeds of crime” means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a Scheduled Offence, or the value of any such property, or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad;

(l) “Schedule” means the Schedule appended to this Act;

(m) “Scheduled Offence” means an offence specified in the Schedule, if the total value involved in such offence or offences is one hundred crore rupees or more;

(n) “Special Court” means a Court of Session designated as a Special Court under sub-section (1) of section 43 of the Prevention of Money-laundering Act, 2002.

15 of 2003.

15 of 2003. (2) The words and expressions used and not defined in this Act but defined in the Prevention of Money-laundering Act, 2002 shall have the meanings respectively assigned to them in that Act.

3. The provisions of this Act shall apply to any individual who is, or becomes, a fugitive economic offender on or after the date of coming into force of this Act.

Application of Act.

CHAPTER II

DECLARATION OF FUGITIVE ECONOMIC OFFENDERS AND CONFISCATION OF PROPERTY

4. (1) Where the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, has reason to believe (the reasons for such belief to be recorded in writing), on the basis of material in his possession, that any individual is a fugitive economic offender, he may file an application in such form and manner as may be prescribed in the Special Court that such individual may be declared as a fugitive economic offender.

Application for declaration of fugitive economic offender and procedure therefor.

(2) The application referred to in sub-section (1) shall contain—

(a) reasons for the belief that an individual is a fugitive economic offender;

(b) any information available as to the whereabouts of the fugitive economic offender;

(c) a list of properties or the value of such properties believed to be the proceeds of crime, including any such property outside India for which confiscation is sought;

(d) a list of properties or benami properties owned by the individual in India or abroad for which confiscation is sought; and

(e) a list of persons who may have an interest in any of the properties listed under clauses (c) and (d).

15 of 2003. (3) The Authorities appointed for the purposes of the Prevention of Money-laundering Act, 2002 shall be the Authorities for the purposes of this Act.

5. (1) The Director or any other officer authorised by the Director, not below the rank of Deputy Director, may, with the permission of the Special Court, attach any property mentioned in the application under section 4 by an order in writing in such manner as may be prescribed.

Attachment of property.

(2) Notwithstanding anything contained in sub-section (1) or section 4, the Director or any other officer, not below the rank of Deputy Director, authorised by the Director, may, by an order in writing, at any time prior to the filing of the application under section 4, attach any property—

(a) for which there is a reason to believe that the property is proceeds of crime, or is a property or benami property owned by an individual who is a fugitive economic offender; and

(b) which is being or is likely to be dealt with in a manner which may result in the property being unavailable for confiscation:

Provided that the Director or any other officer who provisionally attaches any property under this sub-section shall, within a period of thirty days from the date of such attachment, file an application under section 4 before the Special Court.

(3) The attachment of any property under this section shall continue for a period of one hundred and eighty days from the date of order of attachment or such other period as may be extended by the Special Court before the expiry of such period.

(4) Nothing in this section shall prevent the person interested in the enjoyment of the immovable property attached under sub-section (1) from such enjoyment.

Explanation.—For the purposes of this sub-section, the expression “person interested”, in relation to any immovable property includes all persons claiming or entitled to claim any interest in the property.

Powers of Director and other officers.

6. The Director or any other officer shall, for the purposes of section 4, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

- (a) discovery and inspection;
- (b) enforcing the attendance of any person, including any officer of a reporting entity and examining him on oath;
- (c) compelling the production of records;
- (d) receiving evidence on affidavits;
- (e) issuing commissions for examination of witnesses and documents; and
- (f) any other matter which may be prescribed.

Power of survey.

7. (1) Notwithstanding anything contained in any other provisions of this Act, where a Director or any other officer authorised by the Director, on the basis of material in his possession, has reason to believe (the reasons for such belief to be recorded in writing), that an individual may be a fugitive economic offender, he may enter any place—

- (i) within the limits of the area assigned to him; or
- (ii) in respect of which he is authorised for the purposes of this section, by such other authority, who is assigned the area within which such place is situated.

(2) Where the Director or any other officer authorised by him, on the basis of material in his possession, has reason to believe (the reasons for such belief to be recorded in writing) that an individual may be a fugitive economic offender and it is necessary to enter any place as mentioned in sub-section (1), he may request any proprietor, employee or any other person who may be present at that time, to—

- (a) afford him the necessary facility to inspect such records as he may require and which may be available at such place;
- (b) afford him the necessary facility to check or verify the proceeds of crime or any transaction related to proceeds of crime which may be found therein; and
- (c) furnish such information as he may require as to any matter which may be useful for, or relevant to any proceedings under this Act.

(3) The Director, or any other officer acting under this section may—

- (i) place marks of identification on the records inspected by him and make or cause to be made extracts or copies therefrom;
- (ii) make an inventory of any property checked or verified by him; and
- (iii) record the statement of any person present at the property which may be useful for, or relevant to, any proceeding under this Act.

Search and seizure.

8. (1) Notwithstanding anything contained in any other law for the time being in force, where the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section, on the basis of information in his possession, has reason to believe (the reason for such belief to be recorded in writing) that any person—

- (i) may be declared as a fugitive economic offender;
- (ii) is in possession of any proceeds of crime;
- (iii) is in possession of any records which may relate to proceeds of crime; or

(iv) is in possession of any property related to proceeds of crime,

then, subject to any rules made in this behalf, he may authorise any officer subordinate to him to—

(a) enter and search any building, place, vessel, vehicle or aircraft where he has reason to suspect that such records or proceeds of crime are kept;

(b) break open the lock of any door, box, locker, safe, almirah or other receptacle for exercising the powers conferred by clause (a) where the keys thereof are not available;

(c) seize any record or property found as a result of such search;

(d) place marks of identification on such record or property, if required or make or cause to be made extracts or copies therefrom;

(e) make a note or an inventory of such record or property; and

(f) examine on oath any person, who is found to be in possession or control of any record or property, in respect of all matters relevant for the purposes of any investigation under this Act.

(2) Where an authority, upon information obtained during survey under section 7, is satisfied that any evidence shall be or is likely to be concealed or tampered with, he may, for reasons to be recorded in writing, enter and search the building or place where such evidence is located and seize that evidence.

9. Notwithstanding anything contained in any other law for the time being in force—

Search of persons.

(a) if an authority, authorised in this behalf by the Central Government by general or special order, has reason to believe (the reason for such belief to be recorded in writing) that any person has secreted about his person or anything under his possession, ownership or control, any record or proceeds of crime which may be useful for or relevant to any proceedings under this Act, he may search that person and seize such record or property which may be useful for or relevant to any proceedings under this Act;

(b) where an authority is about to search any person, he shall, if such person so requires, take such person within twenty-four hours to the nearest Gazetted Officer, superior in rank to him, or a Magistrate:

Provided that the period of twenty-four hours shall exclude the time necessary for the journey undertaken to take such person to the nearest Gazetted Officer, superior in rank to him, or the Magistrate's Court;

(c) if the requisition under clause (b) is made, the authority shall not detain the person for more than twenty-four hours prior to taking him before the Gazetted Officer, superior in rank to him, or the Magistrate referred to in that clause:

Provided that the period of twenty-four hours shall exclude the time necessary for the journey from the place of detention to the office of the Gazetted Officer, superior in rank to him, or the Magistrate's Court;

(d) the Gazetted Officer or the Magistrate before whom any such person is brought shall, if he sees no reasonable ground for search, forthwith discharge such person but otherwise shall direct that search be made;

(e) before making the search under clause (a) or clause (d), the authority shall call upon two or more persons to attend and witness the search and the search shall be made in the presence of such persons;

(f) the authority shall prepare a list of record or property seized in the course of the search and obtain the signatures of the witnesses on the list;

(g) no female shall be searched by anyone except a female; and

(h) the authority shall record the statement of the person searched under clause (a) or clause (d) in respect of the records or proceeds of crime found or seized in the course of the search.

Notice.

10. (1) Where an application under section 4 has been duly filed, the Special Court shall issue a notice to an individual who is alleged to be a fugitive economic offender.

(2) The notice referred to in sub-section (1), shall also be issued to any other person who has any interest in the property mentioned in the application under sub-section (2) of section 4.

(3) A notice under sub-section (1) shall—

(a) require the individual to appear at a specified place and time not less than six weeks from the date of issue of such notice; and

(b) state that failure to appear on the specified place and time shall result in a declaration of the individual as a fugitive economic offender and confiscation of property under this Act.

(4) A notice under sub-section (1) shall be forwarded to such authority, as the Central Government may notify, for effecting service in a contracting State.

(5) The authority referred to in sub-section (4) shall make efforts to serve the notice within a period of two weeks in such manner as may be prescribed.

(6) A notice under sub-section (1) may also be served to the individual alleged to be a fugitive economic offender by electronic means to—

(a) his electronic mail address submitted in connection with an application for allotment of Permanent Account Number under section 139A of the Income-tax Act, 1961;

43 of 1961.

(b) his electronic mail address submitted in connection with an application for enrolment under section 3 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016; or

18 of 2016.

(c) any other electronic account as may be prescribed, belonging to the individual which is accessed by him over the internet, subject to the satisfaction of the Special Court that such account has been recently accessed by the individual and constitutes a reasonable method for communication of the notice to the individual.

Procedure for hearing application.

11. (1) Where any individual to whom notice has been issued under sub-section (1) of section 10 appears in person at the place and time specified in the notice, the Special Court may terminate the proceedings under this Act.

(2) Where any individual to whom notice has been issued under sub-section (1) of section 10 fails to appear at the place and time specified in the notice, but enters appearance through counsel, the Special Court may in its discretion give a period of one week to file a reply to the application under section 4.

(3) Where any individual to whom notice has been issued under sub-section (1) of section 10 fails to enter appearance either in person or through counsel, and the Special Court is satisfied—

(a) that service of notice has been effected on such party; or

(b) that notice could not be served in spite of best efforts because such individual has evaded service of notice,

it may, after recording reasons in writing, proceed to hear the application.

(4) The Special Court may also give any person to whom notice has been issued under sub-section (2) of section 10 a period of one week to file a reply to the application under section 4.

12. (1) After hearing the application under section 4, if the Special Court is satisfied that an individual is a fugitive economic offender, it may, by an order, declare the individual as a fugitive economic offender for reasons to be recorded in writing.

Declaration of fugitive economic offender.

(2) On a declaration under sub-section (1), the Special Court may order that any of the following properties stand confiscated to the Central Government—

(a) the proceeds of crime in India or abroad, whether or not such property is owned by the fugitive economic offender; and

(b) any other property or benami property in India or abroad, owned by the fugitive economic offender.

(3) The confiscation order of the Special Court shall, to the extent possible, identify the properties in India or abroad that constitute proceeds of crime which are to be confiscated and in case such properties cannot be identified, quantify the value of the proceeds of crime.

(4) The confiscation order of the Special Court shall separately list any other property owned by the fugitive economic offender in India which is to be confiscated.

(5) Where the Special Court has made an order for confiscation of any property under sub-section (2), and such property is in a contracting State, the Special Court may issue a letter of request to a Court or authority in the contracting State for execution of such order.

(6) Every letter of request to be transmitted to a contracting State under sub-section (5) shall be transmitted in such form and manner as the Central Government may, by notification, specify in this behalf.

(7) The Special Court may, while making the confiscation order, exempt from confiscation any property which is a proceed of crime in which any other person, other than the fugitive economic offender, has an interest if it is satisfied that such interest was acquired *bona fide* and without knowledge of the fact that the property was proceeds of crime.

(8) All the rights and title in the confiscated property shall, from the date of the confiscation order, vest in the Central Government, free from all encumbrances.

(9) Where on the conclusion of the proceedings, the Special Court finds that the individual is not a fugitive economic offender, the Special Court shall order release of property or record attached or seized under this Act to the person entitled to receive it.

(10) Where an order releasing the property has been made by the Special Court under sub-section (9), the Director or any other officer authorised by him in this behalf may withhold the release of any such property or record for a period of ninety days from the date of receipt of such order, if he is of the opinion that such property is relevant for the appeal proceedings under this Act.

13. (1) Where at any time after the institution of the application under section 4, any other property is discovered or identified which constitutes proceeds of crime or is property or benami property owned by the individual in India or abroad who is a fugitive economic offender liable to be confiscated under this Act, the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, may file a supplementary application in the Special Court seeking confiscation of such properties.

Supplementary application.

(2) The provisions of sections 4 to 12 shall, as far as may be, apply in relation to such application as they apply in relation to an application under section 4.

14. Notwithstanding anything contained in any other law for the time being in force,—

(a) on a declaration of an individual as a fugitive economic offender, any Court or tribunal in India, in any civil proceeding before it, may, disallow such individual from putting forward or defending any civil claim; and

Power to disallow civil claims.

(b) any Court or tribunal in India in any civil proceeding before it, may, disallow any company or limited liability partnership from putting forward or defending any civil claim, if an individual filing the claim on behalf of the company or the limited liability partnership, or any promoter or key managerial personnel or majority shareholder of the company or an individual having a controlling interest in the limited liability partnership has been declared as a fugitive economic offender.

Explanation.—For the purposes of this section, the expressions—

(a) “company” means any body corporate and includes a firm, or other association of persons; and

(b) “limited liability partnership” shall have the same meaning as assigned to it in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008.

6 of 2009.

Management of properties confiscated under this Act.

15. (1) The Central Government may, by order published in the Official Gazette, appoint as many of its officers (not below the rank of a Joint Secretary to the Government of India) as it thinks fit, to perform the functions of an Administrator.

(2) The Administrator appointed under sub-section (1) shall receive and manage the property in relation to which an order has been made under sub-section (2) of section 12 in such manner and subject to such conditions as may be prescribed.

(3) The Administrator shall also take such measures, as the Central Government may direct, to dispose of the property which is vested in the Central Government under section 12:

Provided that the Central Government or the Administrator shall not dispose of any property for a period of ninety days from the date of the order under sub-section (2) of section 12.

CHAPTER III

MISCELLANEOUS

Rules of evidence.

16. (1) The burden of proof for establishing—

(a) that an individual is a fugitive economic offender; or

(b) that a property is the proceeds of crime or any other property in which the individual alleged to be a fugitive economic offender has an interest,

shall be on the Director or the person authorised by the Director to file the application under section 4.

(2) Notwithstanding anything contained in any other law for the time being in force, where any person referred to in sub-section (2) of section 10 claims that any interest in any property was acquired *bona fide* and without knowledge of the fact that, such property constitutes proceeds of crime, the burden of proving such fact shall lie upon him.

(3) The standard of proof applicable to the determination of facts by the Special Court under this Act shall be preponderance of probabilities.

Appeal.

17. (1) An appeal shall lie from any judgment or order, not being an interlocutory order, of a Special Court to the High Court both on facts and on law.

(2) Every appeal under this section shall be preferred within a period of thirty days from the date of the judgment or order appealed from:

Provided that the High Court may entertain an appeal after the expiry of the said period of thirty days, if it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period of thirty days:

Provided further that no appeal shall be entertained after the expiry of period of ninety days.

18. No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Special Court is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Bar of jurisdiction.

19. No suit, prosecution or other legal proceeding shall lie against the Central Government or Presiding Officer of the Special Court or Director or Deputy Director or any other officer authorised by the Director for anything which is in good faith done or intended to be done under this Act or any rule made thereunder.

Protection of action taken in good faith.

20. (1) The Central Government may, having regard to the objects of this Act, and if it considers necessary or expedient so to do, by notification add to, or as the case may be, omit from the Schedule any offences specified therein.

Power of Central Government to amend Schedule.

(2) Every such notification shall, as soon as after it is issued, be laid before each House of Parliament.

21. The provisions of this Act shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

Overriding effect.

22. The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.

Application of other laws not barred.

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

Power to make rules.

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

(a) the form and manner of filing application under sub-section (1) of section 4;

(b) the manner of attachment of property under sub-section (1) of section 5;

(c) other matters under clause (f) of section 6;

(d) the procedure for conducting search and seizure under section 8;

(e) the manner in which the notice shall be served under sub-section (5) of section 10;

(f) any other electronic account under clause (c) of sub-section (6) of section 10;

(g) the manner and conditions subject to which the Administrator shall receive and manage the property confiscated under sub-section (2) of section 15; and

(h) any other matter which is required to be, or may be, prescribed or in respect of which provision is to be made by rules.

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

Laying of rules before Parliament.

25. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of five years from the date of commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Ord. 1 of 2018

26. (1) The Fugitive Economic Offenders Ordinance, 2018, is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under this Act.

THE SCHEDULE

[See section 2(l) and (m)]

Section	Description of offence
I. Offences under the Indian Penal Code, 1860 (45 of 1860)	
120B read with any offence in this Schedule	Punishment of criminal conspiracy.
255	Counterfeiting Government stamp.
257	Making or selling instrument for counterfeiting Government stamp.
258	Sale of counterfeit Government stamp.
259	Having possession of counterfeit Government stamp.
260	Using as genuine a Government stamp known to be counterfeit.
417	Punishment for cheating.
418	Cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect.
420	Cheating and dishonestly inducing delivery of property.
421	Dishonest or fraudulent removal or concealment of property to prevent distribution among creditors.
422	Dishonestly or fraudulently preventing debt being available for creditors.
423	Dishonest or fraudulent execution of deed of transfer containing false statement of consideration.
424	Dishonest or fraudulent removal or concealment of property.
467	Forgery of valuable security, will, etc.
471	Using as genuine a forged [document or electronic record].
472	Making or possessing counterfeit seal, etc., with intent to commit forgery punishable under section 467.
473	Making or possessing counterfeit seal, etc., intent to commit forgery punishable otherwise.
475	Counterfeiting device or mark used for authenticating documents described in section 467, or possessing counterfeit marked material.
476	Counterfeiting device or mark used for authenticating documents other than those described in section 467, or possessing counterfeit marked material.
481	Using a false property mark.
482	Punishment for using a false property mark.
483	Counterfeiting a property mark used by another.
484	Counterfeiting a mark used by a public servant.
485	Making or possession of any instrument for counterfeiting a property mark.
486	Selling goods marked with a counterfeit property mark.

Section	Description of offence
487	Making a false mark upon any receptacle containing goods.
488	Punishment for making use of any such false mark.
489A	Counterfeiting currency notes or bank notes.
489B	Using as genuine, forged or counterfeit currency notes or bank notes.
II. Offences under the Negotiable Instruments Act, 1881 (26 of 1881)	
138	Dishonour of cheque for insufficiency, etc., of funds in the account.
III. Offences under the Reserve Bank of India Act, 1934 (2 of 1934)	
58B	Penalties.
IV. Offences under the Central Excise Act, 1944 (1 of 1944)	
Section 9	Offences and Penalties.
V. Offences under the Customs Act, 1962 (52 of 1962)	
135	Evasion of duty or prohibitions.
VI. Offences under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988)	
3	Prohibition of benami transactions.
VII. Offences under the Prevention of Corruption Act, 1988 (49 of 1988)	
7	Public servant taking gratification other than legal remuneration in respect of an official act.
8	Taking gratification in order, by corrupt or illegal means, to influence public servant.
9	Taking gratification for exercise of personal influence with public servant.
10	Punishment for abetment by public servant of offences defined in section 8 or section 9 of the Prevention of Corruption Act, 1988.
13	Criminal misconduct by a public servant.
VIII. Offences under the Securities and Exchange Board of India Act, 1992 (15 of 1992)	
12A read with section 24	Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.
24	Offences for contravention of the provisions of the Act.
IX. Offences under the Prevention of Money Laundering Act, 2002 (15 of 2003)	
3	Offence of money-laundering.
4	Punishment for money-laundering.
X. Offences under the Limited Liability Partnership Act, 2008 (6 of 2009)	
Sub-section (2) of section 30	Carrying on business with intent or purpose to defraud creditors of the Limited Liability Partnership or any other person or for any other fraudulent purpose.

Section	Description of offence
XI. Offences under the Foreign Contribution (Regulation) Act, 2010 (42 of 2010)	
34	Penalty for article or currency or security obtained in contravention of section 10.
35	Punishment for contravention of any provision of the Act.
XII. Offences under the Companies Act, 2013 (18 of 2013)	
Sub-section (4) of section 42 of the Companies Act, 2013 read with section 24 of the Securities and Exchange Board of India Act, 1992 (15 of 1992)	Offer or invitation for subscription of securities on private placement.
74	Repayment of deposits, etc., accepted before commencement of the Companies Act, 2013.
76A	Punishment for contravention of section 73 or section 76 of the Companies Act, 2013.
Second proviso to sub-section (4) of section 206	Carrying on business of a company for a fraudulent or unlawful purpose.
Clause (b) of section 213	Conducting the business of a company with intent to defraud its creditors, members or any other persons or otherwise for a fraudulent or unlawful purpose, or in a manner oppressive to any of its members or that the company was formed for any fraudulent or unlawful purpose.
447	Punishment for fraud.
452	Punishment for wrongful withholding of property.
XIII. Offences under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (22 of 2015)	
51	Punishment for wilful attempt to evade tax.
XIV. Offences under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)	
69	Punishment for transactions defrauding creditors.

Section	Description of offence
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XV. Offences under the Central Goods and Services Tax Act, 2017 (12 of 2017)

Sub-section (5) Punishment for certain offences.
of section 132

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

CORRIGENDA

IN THE PREVENTION OF CORRUPTION (AMENDMENT) ACT, 2018 (16 of 2018)
as published in the Gazette of India, Extraordinary, Part II, **Section 1, Issue No. 28, dated the 16th July, 2018—**

Page No.	Line(s) No.	<i>For</i>	<i>Read</i>
3	32	“later”	“latter”
5	3	“shall be not”	“shall not be”
5	23	“shall be not”	“shall not be”
5	39	“17A.(1)”	“17A.”
7	5	“presecrbe”	“prescribe”
7	26	“section 13(1) (A)”	“section 13(1) (a)”



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 30] नई दिल्ली, बुधवार, अगस्त 1, 2018/ श्रावण 10, 1940 (शक)
No. 30] NEW DELHI, WEDNESDAY, AUGUST 1, 2018/SHRAVANA 10, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 1st August, 2018/Shravana 10, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 1st August, 2018, and is hereby published for general information:—

THE SPECIFIC RELIEF (AMENDMENT) ACT, 2018

No. 18 OF 2018

[1st August, 2018.]

An Act further to amend the Specific Relief Act, 1963.

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

1. (1) This Act may be called the Specific Relief (Amendment) Act, 2018.

Short title and commencement.

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

47 of 1963.

2. In section 6 of the Specific Relief Act, 1963 (hereinafter referred to as the principal Act), in sub-section (1), after the words “he or any person”, the words “through whom he has been in possession or any person” shall be inserted.

Amendment of section 6.

3. For section 10 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 10.

“10. The specific performance of a contract shall be enforced by the court subject to the provisions contained in sub-section (2) of section 11, section 14 and section 16.”.

Specific performance in respect of contracts.

Amendment of section 11. **4.** In section 11 of the principal Act, in sub-section (1), for the words “contract may, in the discretion of the court”, the words “contract shall” shall be substituted.

Substitution of new sections for section 14. **5.** For section 14 of the principal Act, the following sections shall be substituted, namely:—

Contracts not specifically enforceable.

“14. The following contracts cannot be specifically enforced, namely:—

(a) where a party to the contract has obtained substituted performance of contract in accordance with the provisions of section 20;

(b) a contract, the performance of which involves the performance of a continuous duty which the court cannot supervise;

(c) a contract which is so dependent on the personal qualifications of the parties that the court cannot enforce specific performance of its material terms; and

(d) a contract which is in its nature determinable.

Power of court to engage experts.

14A. (1) Without prejudice to the generality of the provisions contained in the Code of Civil Procedure, 1908, in any suit under this Act, where the court considers it necessary to get expert opinion to assist it on any specific issue involved in the suit, it may engage one or more experts and direct to report to it on such issue and may secure attendance of the expert for providing evidence, including production of documents on the issue.

5 of 1908.

(2) The court may require or direct any person to give relevant information to the expert or to produce, or to provide access to, any relevant documents, goods or other property for his inspection.

(3) The opinion or report given by the expert shall form part of the record of the suit; and the court, or with the permission of the court any of the parties to the suit, may examine the expert personally in open court on any of the matters referred to him or mentioned in his opinion or report, or as to his opinion or report, or as to the manner in which he has made the inspection.

(4) The expert shall be entitled to such fee, cost or expense as the court may fix, which shall be payable by the parties in such proportion, and at such time, as the court may direct.”.

Amendment of section 15. **6.** In section 15 of the principal Act, after clause (f), the following clause shall be inserted, namely:—

“(fa) when a limited liability partnership has entered into a contract and subsequently becomes amalgamated with another limited liability partnership, the new limited liability partnership which arises out of the amalgamation.”.

Amendment of section 16.

7. In section 16 of the principal Act,—

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

“(a) who has obtained substituted performance of contract under section 20; or”;

(ii) in clause (c),—

(I) for the words “who fails to aver and prove”, the words “who fails to prove” shall be substituted;

(II) in the *Explanation*, in clause (ii), for the words “must aver”, the words “must prove” shall be substituted.

8. In section 19 of the principal Act, after clause (c), the following clause shall be inserted, namely:—

“(ca) when a limited liability partnership has entered into a contract and subsequently becomes amalgamated with another limited liability partnership, the new limited liability partnership which arises out of the amalgamation.”.

Amendment of section 19.

9. For sub-heading “*Discretion and powers of Court*” occurring after section 19, the sub-heading “*Substituted performance of contracts, etc.*” shall be substituted.

Amendment of sub-heading under Chapter II.

10. For section 20 of the principal Act, the following sections shall be substituted, namely:—

Substitution of new sections for section 20.

9 of 1872.

“20. (1) Without prejudice to the generality of the provisions contained in the Indian Contract Act, 1872, and, except as otherwise agreed upon by the parties, where the contract is broken due to non-performance of promise by any party, the party who suffers by such breach shall have the option of substituted performance through a third party or by his own agency, and, recover the expenses and other costs actually incurred, spent or suffered by him, from the party committing such breach.

Substituted performance of contract.

(2) No substituted performance of contract under sub-section (1) shall be undertaken unless the party who suffers such breach has given a notice in writing, of not less than thirty days, to the party in breach calling upon him to perform the contract within such time as specified in the notice, and on his refusal or failure to do so, he may get the same performed by a third party or by his own agency:

Provided that the party who suffers such breach shall not be entitled to recover the expenses and costs under sub-section (1) unless he has got the contract performed through a third party or by his own agency.

(3) Where the party suffering breach of contract has got the contract performed through a third party or by his own agency after giving notice under sub-section (1), he shall not be entitled to claim relief of specific performance against the party in breach.

(4) Nothing in this section shall prevent the party who has suffered breach of contract from claiming compensation from the party in breach.

20A. (1) No injunction shall be granted by a court in a suit under this Act involving a contract relating to an infrastructure project specified in the Schedule, where granting injunction would cause impediment or delay in the progress or completion of such infrastructure project.

Special provisions for contract relating to infrastructure project.

Explanation.—For the purposes of this section, section 20B and clause (ha) of section 41, the expression “infrastructure project” means the category of projects and infrastructure Sub-Sectors specified in the Schedule.

(2) The Central Government may, depending upon the requirement for development of infrastructure projects, and if it considers necessary or expedient to do so, by notification in the Official Gazette, amend the Schedule relating to any Category of projects or Infrastructure Sub-Sectors.

(3) Every notification issued under this Act by the Central Government shall be laid, as soon as may be after it is issued, 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 notification or both Houses agree that the notification should not be made, the notification 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 notification.

Special Courts.

20B. The State Government, in consultation with the Chief Justice of the High Court, shall designate, by notification published in the Official Gazette, one or more Civil Courts as Special Courts, within the local limits of the area to exercise jurisdiction and to try a suit under this Act in respect of contracts relating to infrastructure projects.

Expeditious disposal of suits.

20C. Notwithstanding anything contained in the Code of Civil Procedure, 1908, a suit filed under the provisions of this Act shall be disposed of by the court within a period of twelve months from the date of service of summons to the defendant:

5 of 1908.

Provided that the said period may be extended for a further period not exceeding six months in aggregate after recording reasons in writing for such extension by the court.”.

Amendment of section 21.

11. In section 21 of the principal Act, in sub-section (I), for the words “, either in addition to, or in substitution of,” the words “in addition to” shall be substituted.

Amendment of section 25.

12. In section 25 of the principal Act, for the words and figures “the Arbitration Act, 1940”, the words and figures “the Arbitration and Conciliation Act, 1996” shall be substituted.

10 of 1940.
26 of 1996.

Amendment of section 41.

13. In section 41 of the principal Act, after clause (h), the following clause shall be inserted, namely:—

“(ha) if it would impede or delay the progress or completion of any infrastructure project or interfere with the continued provision of relevant facility related thereto or services being the subject matter of such project.”.

Insertion of Schedule.

14. After Part III of the principal Act, the following Schedule shall be inserted, namely:—

‘THE SCHEDULE

[See sections 20A and 41 (ha)]

Category of projects and Infrastructure Sub-Sectors

Sl. No.	Category	Infrastructure Sub-Sectors
1	2	3
1.	Transport	<p>(a) Road and bridges</p> <p>(b) Ports (including Capital Dredging)</p> <p>(c) Shipyards (including a floating or land-based facility with the essential features of waterfront, turning basin, berthing and docking facility, slipways or ship lifts, and which is self-sufficient for carrying on shipbuilding/repair/breaking activities)</p> <p>(d) Inland Waterways</p> <p>(e) Airports</p> <p>(f) Railway Track, tunnels, viaducts, bridges, terminal infrastructure including stations and adjoining commercial infrastructure</p> <p>(g) Urban Public Transport (except rolling stock in case of urban road transport)</p>

1	2	3
2.	Energy	<ul style="list-style-type: none"> (a) Electricity Generation (b) Electricity Transmission (c) Electricity Distribution (d) Oil pipelines (e) Oil/Gas/Liquefied Natural Gas (LNG) storage facility (including strategic storage of crude oil) (f) Gas pipelines (including city gas distribution network)
3.	Water and Sanitation	<ul style="list-style-type: none"> (a) Solid Waste Management (b) Water supply pipelines (c) Water treatment plants (d) Sewage collection, treatment and disposal system (e) Irrigation (dams, channels, embankments, etc.) (f) Storm Water Drainage System (g) Slurry pipelines
4.	Communication	<ul style="list-style-type: none"> (a) Telecommunication (Fixed network including optic fibre/wire/cable networks which provide broadband/internet) (b) Telecommunication towers (c) Telecommunications and Telecom Services
5.	Social and Commercial Infrastructure	<ul style="list-style-type: none"> (a) Education Institutions (capital stock) (b) Sports infrastructure (including provision of Sports Stadia and Infrastructure for Academies for Training/Research in Sports and Sports-relating activities) (c) Hospitals (capital stock including Medical Colleges, Para Medical Training Institutes and Diagnostic Centres) (d) Tourism infrastructure viz. (i) three-star or higher category classified hotels located outside cities with population of more than one million; (ii) ropeways and cable cars (e) Common infrastructure for industrial parks and other parks with industrial activity such as food parks, textile parks, Special Economic Zones, tourism facilities and agriculture markets (f) Post-harvest storage infrastructure for agriculture and horticulture produce including cold storage (g) Terminal markets (h) Soil-testing laboratories (i) Cold chain (including cold room facility for farm level pre-cooling, for preservation or storage of agriculture and allied produce, marine products and meat)

1	2	3
		<p>(j) Affordable Housing (including a housing project using at least 50% of the Floor Area Ratio (FAR)/ Floor Space Index (FSI) for dwelling units with carpet area of not more than 60 square meters)</p> <p><i>Explanation.</i>—For the purposes of this sub-clause, the term “carpet area” shall have the same meaning as assigned to it in clause (k) of section 2 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016).'</p>

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 2nd August, 2018/Shravana 11, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 2nd August, 2018, and is hereby published for general information:—

THE STATE BANKS (REPEAL AND AMENDMENT) ACT, 2018

No. 19 OF 2018

[2nd August, 2018.]

An Act to repeal the State Bank of India (Subsidiary Banks) Act, 1959, the State Bank of Hyderabad Act, 1956 and further to amend the State Bank of India Act, 1955.

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

CHAPTER I

PRELIMINARY

- (1) This Act may be called the State Banks (Repeal and Amendment) Act, 2018.
- (2) It shall be deemed to have come into force on the 1st day of April, 2017.

Short title and commencement.

CHAPTER II

REPEAL OF THE STATE BANK OF INDIA (SUBSIDIARY BANKS) ACT, 1959 AND THE STATE BANK OF HYDERABAD ACT, 1956

Repeal and savings.	<p>2. (1) The State Bank of India (Subsidiary Banks) Act, 1959 and the State Bank of Hyderabad Act, 1956 are hereby repealed.</p> <p>(2) Notwithstanding such repeal, anything done or any action taken, including any agreement entered into under the provisions of the State Bank of India (Subsidiary Banks) Act, 1959 by the State Bank of Hyderabad, the State Bank of Bikaner and Jaipur, the State Bank of Mysore, the State Bank of Patiala and the State Bank of Travancore, or under the provisions of the State Bank of Hyderabad Act, 1956 by the State Bank of Hyderabad, shall continue to be in force and have effect as if this Act has not been enacted.</p> <p>(3) The mention of particulars in sub-section (2) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897, with regard to the effect of repeal.</p>	<p>38 of 1959. 79 of 1956.</p> <p>38 of 1959. 79 of 1956.</p> <p>10 of 1897.</p>
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CHAPTER III

AMENDMENTS TO THE STATE BANK OF INDIA ACT, 1955

Amendment of section 2.	3. In section 2 of the State Bank of India Act, 1955 (hereinafter in this Chapter referred to as the principal Act), clause (h) shall be omitted.	23 of 1955.
Amendment of section 18.	4. In section 18 of the principal Act, in sub-section (1), the words “including those relating to a subsidiary bank” shall be omitted.	
Amendment of section 31.	5. In section 31 of the principal Act, in sub-section (3), in the proviso, in clause (ii), the words “or a director of a subsidiary bank” shall be omitted.	
Amendment of section 31A.	6. In section 31A of the principal Act, in sub-section (3), in the proviso, in clause (ii), the words “or a director of a subsidiary bank” shall be omitted.	
Amendment of section 32.	<p>7. In section 32 of the principal Act,—</p> <p>(a) in sub-section (1), the words “or where there is a branch of a subsidiary bank” shall be omitted;</p> <p>(b) in sub-section (4), the words “or through a subsidiary bank” shall be omitted.</p>	
Amendment of section 36.	8. In section 36 of the principal Act, in sub-section (2), clause (aa) shall be omitted.	

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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भाग II — खण्ड 1

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MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 2nd August, 2018/Shravana 11, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 2nd August, 2018, and is hereby published for general information:—

THE NEGOTIABLE INSTRUMENTS (AMENDMENT) ACT, 2018

No. 20 OF 2018

[2nd August, 2018.]

An Act further to amend the Negotiable Instruments Act, 1881.

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

1. (1) This Act may be called the Negotiable Instruments (Amendment) Act, 2018.

Short title and commencement.

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

26 of 1881.

2. In the Negotiable Instruments Act, 1881 (hereinafter referred to as the principal Act), after section 143, the following section shall be inserted, namely:—

Insertion of new section 143A.

2 of 1974.

“143A. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Court trying an offence under section 138 may order the drawer of the cheque to pay interim compensation to the complainant—

Power to direct interim compensation.

(a) in a summary trial or a summons case, where he pleads not guilty to the accusation made in the complaint; and

(b) in any other case, upon framing of charge.

(2) The interim compensation under sub-section (1) shall not exceed twenty per cent. of the amount of the cheque.

(3) The interim compensation shall be paid within sixty days from the date of the order under sub-section (1), or within such further period not exceeding thirty days as may be directed by the Court on sufficient cause being shown by the drawer of the cheque.

(4) If the drawer of the cheque is acquitted, the Court shall direct the complainant to repay to the drawer the amount of interim compensation, with interest at the bank rate as published by the Reserve Bank of India, prevalent at the beginning of the relevant financial year, within sixty days from the date of the order, or within such further period not exceeding thirty days as may be directed by the Court on sufficient cause being shown by the complainant.

(5) The interim compensation payable under this section may be recovered as if it were a fine under section 421 of the Code of Criminal Procedure, 1973. 2 of 1974.

(6) The amount of fine imposed under section 138 or the amount of compensation awarded under section 357 of the Code of Criminal Procedure, 1973, shall be reduced by the amount paid or recovered as interim compensation under this section.” 2 of 1974.

Insertion of new section 148.

3. In the principal Act, after section 147, the following section shall be inserted, namely:—

Power of Appellate Court to order payment pending appeal against conviction.

“148. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, in an appeal by the drawer against conviction under section 138, the Appellate Court may order the appellant to deposit such sum which shall be a minimum of twenty per cent. of the fine or compensation awarded by the trial Court: 2 of 1974.

Provided that the amount payable under this sub-section shall be in addition to any interim compensation paid by the appellant under section 143A.

(2) The amount referred to in sub-section (1) shall be deposited within sixty days from the date of the order, or within such further period not exceeding thirty days as may be directed by the Court on sufficient cause being shown by the appellant.

(3) The Appellate Court may direct the release of the amount deposited by the appellant to the complainant at any time during the pendency of the appeal:

Provided that if the appellant is acquitted, the Court shall direct the complainant to repay to the appellant the amount so released, with interest at the bank rate as published by the Reserve Bank of India, prevalent at the beginning of the relevant financial year, within sixty days from the date of the order, or within such further period not exceeding thirty days as may be directed by the Court on sufficient cause being shown by the complainant.”.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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PART II — Section 1

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MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 9th August, 2018/Shravana 18, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 9th August, 2018, and is hereby published for general information:—

THE REQUISITIONING AND ACQUISITION OF IMMOVABLE PROPERTY (AMENDMENT) ACT, 2018

No. 21 OF 2018

[9th August, 2018.]

An Act further to amend the Requisitioning and Acquisition of Immovable Property Act, 1952.

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

1. (1) This Act may be called the Requisitioning and Acquisition of Immovable Property (Amendment) Act, 2018.

Short title
and
commencement.

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

30 of 1952.

2. In the Requisitioning and Acquisition of Immovable Property Act, 1952, in section 7, after sub-section (1), the following sub-section shall be inserted and shall be deemed to have been inserted with effect from the 14th March, 1952, namely:—

Amendment
of section 7.

“(1A) Notwithstanding any judgment or order by a court or any other authority, setting aside a notice under sub-section (1) on the ground that the owner or any other person who may be interested in the property was not given adequate opportunity to show cause or personal hearing, the Central Government may re-issue the notice to the owner or such other person interested in the property, for the purpose of giving opportunity of being heard:

Provided that where a notice is re-issued, the owner or such other person interested in the property shall be entitled to the same annual rate of interest, prevalent at any relevant time on the domestic fixed deposit offered by the State Bank of India, as defined under clause (g) of section 2 of the State Bank of India Act, 1955, on the compensation payable under this Act, from the date of publication of the first notice, till the final payment of the compensation under this Act:

23 of 1955.

Provided further that any enhanced compensation with or without interest awarded by the court or other authority, before the date of commencement of the Requisitioning and Acquisition of Immovable Property (Amendment) Act, 2018, shall be subject to the re-issuance of a notice under this sub-section and shall be applicable only to the cases of land being acquired for national security and defence purpose:

Provided also that in the cases, where the final award under this Act has been made and compensation thereof has been accepted by the owner or such other person interested in the property, before the commencement of the Requisitioning and Acquisition of the Immovable Property (Amendment) Act, 2018, shall not be reopened.”.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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भाग II — खण्ड 1

PART II — Section 1

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MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 11th August, 2018/Shravana 20, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 11th August, 2018, and is hereby published for general information:—

THE CRIMINAL LAW (AMENDMENT) ACT, 2018

No. 22 OF 2018

[11th August, 2018.]

An Act further to amend the Indian Penal Code, Indian Evidence Act, 1872, the Code of Criminal Procedure, 1973 and the Protection of Children from Sexual Offences Act, 2012.

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

CHAPTER I

PRELIMINARY

- (1) This Act may be called the Criminal Law (Amendment) Act, 2018.
- (2) It shall be deemed to have come into force on the 21st day of April, 2018.

Short title and commencement.

CHAPTER II

AMENDMENTS TO THE INDIAN PENAL CODE

- Amendment of section 166A. **2.** In the Indian Penal Code (hereafter in this Chapter referred to as the Penal Code), in section 166A, in clause (c), for the words, figures and letters "section 376B, section 376C, section 376D", the words, figures and letters "section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted. 45 of 1860.
- Amendment of section 228A. **3.** In section 228A of the Penal Code, in sub-section (1), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.
- Amendment of section 376. **4.** In section 376 of the Penal Code,—
 (a) in sub-section (1), for the words "shall not be less than seven years, but which may extend to imprisonment for life, and shall also be liable to fine", the words "shall not be less than ten years, but which may extend to imprisonment for life, and shall also be liable to fine" shall be substituted;
 (b) in sub-section (2), clause (i) shall be omitted;
 (c) after sub-section (2), the following sub-section shall be inserted, namely:—
 "(3) Whoever, commits rape on a woman under sixteen years of age shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life, and shall also be liable to fine:
 Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:
 Provided further that any fine imposed under this sub-section shall be paid to the victim."
- Insertion of new section 376AB. **5.** After section 376A of the Penal Code, the following section shall be inserted, namely:—
 "376AB. Whoever, commits rape on a woman under twelve years of age shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life, and with fine or with death:
 Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:
 Provided further that any fine imposed under this section shall be paid to the victim."
- Punishment for rape on woman under twelve years of age.
- Insertion of new sections 376DA and 376DB. **6.** After section 376D of the Penal Code, the following sections shall be inserted, namely:—
 "376DA. Where a woman under sixteen years of age is raped by one or more persons constituting a group or acting in furtherance of a common intention, each of those persons shall be deemed to have committed the offence of rape and shall be punished with imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life, and with fine:
 Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:
 Provided further that any fine imposed under this section shall be paid to the victim."
- Punishment for gang rape on woman under sixteen years of age.

376DB. Where a woman under twelve years of age is raped by one or more persons constituting a group or acting in furtherance of a common intention, each of those persons shall be deemed to have committed the offence of rape and shall be punished with imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life, and with fine, or with death:

Punishment for gang rape on woman under twelve years of age.

Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:

Provided further that any fine imposed under this section shall be paid to the victim."

7. In section 376E of the Penal Code, for the word, figures and letter "section 376D", the words, figures and letters "section 376AB or section 376D or section 376DA or section 376DB," shall be substituted.

Amendment of section 376E.

CHAPTER III

AMENDMENTS TO THE INDIAN EVIDENCE ACT, 1872

1 of 1872.

8. In section 53A of the Indian Evidence Act, 1872 (hereafter in this Chapter referred to as the Evidence Act), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 53A.

9. In section 146 of the Evidence Act, in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 146.

CHAPTER IV

AMENDMENTS TO THE CODE OF CRIMINAL PROCEDURE, 1973

2 of 1974.

10. In the Code of Criminal Procedure, 1973 (hereafter in this Chapter referred to as the Code of Criminal Procedure), in section 26, in clause (a), in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 26.

11. In section 154 of the Code of Criminal Procedure, in sub-section (1),—

Amendment of section 154.

(i) in the first proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted;

(ii) in the second proviso, in clause (a), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted.

12. In section 161 of the Code of Criminal Procedure, in sub-section (3), in the second proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 161.

13. In section 164 of the Code of Criminal Procedure, in sub-section (5A), in clause (a), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 164.

Amendment of section 173.	<p>14. In section 173 of the Code of Criminal Procedure,—</p> <p>(i) in sub-section (1A), for the words "rape of a child may be completed within three months", the words, figures and letters "an offence under sections 376, 376A, 376AB, 376B, 376C, 376D, 376DA, 376DB or 376E of the Indian Penal Code shall be completed within two months" shall be substituted;</p> <p>(ii) in sub-section (2), in clause (i), in sub-clause (h), for the word, figures and letters "section 376, 376A, 376B, 376C, 376D", the word, figures and letters "sections 376, 376A, 376AB, 376B, 376C, 376D, 376DA, 376DB" shall be substituted.</p>	45 of 1860.
Amendment of section 197.	<p>15. In section 197 of the Code of Criminal Procedure, in sub-section (1), in the <i>Explanation</i>, for the words, figures and letters "section 376A, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.</p>	
Amendment of section 309.	<p>16. In section 309 of the Code of Criminal Procedure, in sub-section (1), in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C or section 376D of the Indian Penal Code, the inquiry or trial shall, as far as possible,", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA or section 376DB of the Indian Penal Code, the inquiry or trial shall" shall be substituted.</p>	45 of 1860.
Amendment of section 327.	<p>17. In section 327 of the Code of Criminal Procedure, in sub-section (2), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.</p>	
Amendment of section 357B.	<p>18. In section 357B of the Code of Criminal Procedure, for the words, figures and letters "under section 326A or section 376D of the Indian Penal Code", the words, figures and letters "under section 326A, section 376AB, section 376D, section 376DA and section 376DB of the Indian Penal Code" shall be substituted.</p>	45 of 1860.
Amendment of section 357C.	<p>19. In section 357C of the Code of Criminal Procedure, for the figures and letters "376A, 376B, 376C, 376D", the figures and letters "376A, 376AB, 376B, 376C, 376D, 376DA, 376DB" shall be substituted.</p>	
Amendment of section 374.	<p>20. In section 374 of the Code of Criminal Procedure, after sub-section (3), the following sub-section shall be inserted, namely:—</p> <p>"(4) When an appeal has been filed against a sentence passed under section 376, section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB or section 376E of the Indian Penal Code, the appeal shall be disposed of within a period of six months from the date of filing of such appeal."</p>	45 of 1860.
Amendment of section 377.	<p>21. In section 377 of the Code of Criminal Procedure, after sub-section (3), the following sub-section shall be inserted, namely:—</p> <p>"(4) When an appeal has been filed against a sentence passed under section 376, section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB or section 376E of the Indian Penal Code, the appeal shall be disposed of within a period of six months from the date of filing of such appeal."</p>	45 of 1860.
Amendment of section 438.	<p>22. In section 438 of the Code of Criminal Procedure, after sub-section (3), the following sub-section shall be inserted, namely:—</p> <p>"(4) Nothing in this section shall apply to any case involving the arrest of any person on accusation of having committed an offence under sub-section (3) of section 376 or section 376AB or section 376DA or section 376DB of the Indian Penal Code."</p>	45 of 1860.

23. In section 439 of the Code of Criminal Procedure,—Amendment of
section 439.

(a) in sub-section (1), after the first proviso, the following proviso shall be inserted, namely:—

45 of 1860.

"Provided further that the High Court or the Court of Session shall, before granting bail to a person who is accused of an offence triable under sub-section (3) of section 376 or section 376AB or section 376DA or section 376DB of the Indian Penal Code, give notice of the application for bail to the Public Prosecutor within a period of fifteen days from the date of receipt of the notice of such application.";

(b) after sub-section (1), the following sub-section shall be inserted, namely:—

45 of 1860.

"(1A) The presence of the informant or any person authorised by him shall be obligatory at the time of hearing of the application for bail to the person under sub-section (3) of section 376 or section 376AB or section 376DA or section 376DB of the Indian Penal Code."

24. In the First Schedule to the Code of Criminal Procedure, under the heading "I.— OFFENCES UNDER THE INDIAN PENAL CODE",—Amendment of
First Schedule.

(a) for the entries relating to section 376, the following entries shall be substituted, namely:—

Section	Offence	Punishment	Cognizable or Non-cognizable	Bailable or Non-bailable	By what Court triable
1	2	3	4	5	6
"376	Rape.	Rigorous imprisonment of not less than 10 years but which may extend to imprisonment for life and with fine.	Cognizable	Non-bailable	Court of Session.
	Rape by a police officer or a public servant or member of armed forces or a person being on the management or on the staff of a jail, remand home or other place of custody or women's or children's institution or by a person on the management or on the staff of a hospital, and rape committed by a person in a position of trust or authority towards the person raped or by a near relative of the person raped.	Rigorous imprisonment of not less than 10 years but which may extend to imprisonment for life which shall mean the remainder of that person's natural life and with fine.	Cognizable	Non-bailable	Court of Session.

1	2	3	4	5	6
	Persons committing offence of rape on a woman under sixteen years of age.	Rigorous imprisonment for a term which shall not be less than 20 years but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life and with fine.	Cognizable	Non-bailable	Court of Session.";

(b) after the entries relating to section 376A, the following entries shall be inserted, namely:—

1	2	3	4	5	6
"376AB	Person committing an offence of rape on a woman under twelve years of age.	Rigorous imprisonment of not less than 20 years but which may extend to imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine or with death.	Cognizable	Non-bailable	Court of Session.";

(c) after the entries relating to section 376D, the following entries shall be inserted, namely:—

1	2	3	4	5	6
"376DA	Gang rape on a woman under sixteen years of age.	Imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine.	Cognizable	Non-bailable	Court of Session.
376DB	Gang rape on woman under twelve years of age.	Imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine or with death.	Cognizable	Non-bailable	Court of Session."

CHAPTER V

AMENDMENT TO THE PROTECTION OF CHILDREN FROM SEXUAL OFFENCES ACT, 2012

Amendment of section 42 of Act No.32 of 2012.

25. In section 42 of the Protection of Children from Sexual Offences Act, 2012, for the figures and letters "376A, 376C, 376D", the figures and letters "376A, 376AB, 376B, 376C, 376D, 376DA, 376DB" shall be substituted.

Repeal and savings.

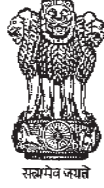
26. (1) The Criminal Law (Amendment) Ordinance, 2018 is hereby repealed.

Ord. No.2 of 2018.

45 of 1860.
1 of 1872.
2 of 1974.
32 of 2012.

(2) Notwithstanding such repeal, anything done or any action taken under the Indian Penal Code, the Indian Evidence Act, 1872, the Code of Criminal Procedure, 1973 and the Protection of Children from Sexual Offences Act, 2012, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of those Acts, as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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No. 36] NEW DELHI, MONDAY, AUGUST 13, 2018/SHRAVANA 22, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 13th August, 2018/Shravana 22, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 13th August, 2018, and is hereby published for general information:—

THE HOMOEOPATHY CENTRAL COUNCIL (AMENDMENT) ACT, 2018

No. 23 OF 2018

[13th August, 2018.]

An Act further to amend the Homoeopathy Central Council Act, 1973.

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

1. (1) This Act may be called the Homoeopathy Central Council (Amendment) Act, 2018.

(2) It shall be deemed to have come into force on the 18th day of May, 2018.

2. In the Homoeopathy Central Council Act, 1973 (hereinafter referred to as the principal Act), after section 3, the following sections shall be inserted, namely:—

‘3A. (1) On and from the date of commencement of the Homoeopathy Central Council (Amendment) Act, 2018, the Central Council shall stand superseded and the President, Vice-President and other members of the Central Council shall vacate their offices and shall have no claim for any compensation, whatsoever.

(2) The Central Council shall be reconstituted in accordance with the provisions of section 3 within a period of one year from the date of supersession of the Central Council under sub-section (1).

Short title and commencement.

Insertion of new sections 3A, 3B and 3C.

Power of Central Government to supersede Central Council and to constitute a Board of Governors.

(3) Upon the supersession of the Central Council under sub-section (1) and until a new Council is constituted in accordance with section 3, the Board of Governors constituted under sub-section (4) shall exercise the powers and perform the functions of the Central Council under this Act.

(4) The Central Government shall, by notification in the Official Gazette, constitute a Board of Governors which shall consist of not more than seven persons as its members, who shall be persons of eminence and of unimpeachable integrity in the fields of Homoeopathy and Homoeopathy education, and eminent administrators, and who may be either nominated member or members, *ex officio*, to be appointed by the Central Government, one of whom shall be selected by the Central Government as the Chairperson of the Board of Governors.

(5) The Chairperson and the other members, other than the members, *ex officio*, shall be entitled to such sitting fee and travelling and other allowances as may be determined by the Central Government.

(6) The Board of Governors shall meet at such time and such place and shall observe such rules of procedure in regard to the transaction of business at its meetings as is applicable to the Central Council.

(7) Two-third of the members of the Board of Governors shall constitute the quorum of its meetings.

(8) No act or proceedings of the Board of Governors shall be invalid merely by reason of—

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

(b) any irregularity in the procedure of the Board of Governors not affecting the merits of the case.

(9) A member having any financial or other interest in any matter coming before the Board of Governors for decision, shall disclose his interest in the matter before he may, if allowed by the Board of Governors, participate in such proceedings.

(10) The Chairperson and other members of the Board of Governors shall hold office during the pleasure of the Central Government.

3B. During the period when the Central Council stands superseded,—

(a) the provisions of the Act shall be construed as if for the words "Central Council", the words "Board of Governors" were substituted;

(b) the Board of Governors shall exercise the powers and discharge the functions of the Central Council under this Act and for this purpose, the provisions of this Act shall have effect subject to the modification that references therein to the Central Council shall be construed as references to the Board of Governors.

3C. (1) Without prejudice to the provisions of this Act, the Board of Governors or the Central Council after its reconstitution shall, in exercise of its powers and in the performance of its functions under this Act, be bound by such directions on question of policy, other than those relating to technical and administrative matters, as the Central Government may give in writing to it from time to time:

Provided that the Board of Governors or the Central Council, after its reconstitution shall, as far as practicable, be given an opportunity to express its view before any direction is given under this sub-section.

Certain
modifications
of Act.

Power of
Central
Government
to give
directions.

(2) The decision of the Central Government whether a question is a matter of policy or not shall be final.’

3. After section 12B of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 12C.

"12C. (1) If any person has established a Homoeopathy Medical College or any Homoeopathy Medical College has opened a new or higher course of study or training or increased the admission capacity on or before the date of commencement of the Homoeopathy Central Council (Amendment) Act, 2018, such person or Homoeopathy Medical College, as the case may be, shall seek, within a period of one year from the said commencement, permission of the Central Government, in accordance with the provisions specified in the regulations made by the Central Council.

Time for seeking permission for certain existing medical colleges.

(2) If any person or Homoeopathy Medical College, as the case may be, fails to seek permission under sub-section (1), the provisions of section 12B shall apply, as far as may be, as if the Central Government has been refused."

Ord. 4 of 2018.

4. (1) The Homoeopathy Central Council (Amendment) Ordinance, 2018 is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act as amended by this Act.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 14th August, 2018/Shravana 23, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 14th August, 2018, and is hereby published for general information:—

THE NATIONAL COMMISSION FOR BACKWARD CLASSES (REPEAL) ACT, 2018

No. 24 OF 2018

[14th August, 2018.]

An Act to repeal the National Commission for Backward Classes Act, 1993.

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

1. (1) This Act may be called the National Commission for Backward Classes (Repeal) Act, 2018.

Short title and commencement.

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

27 of 1993.

2. (1) The National Commission for Backward Classes Act, 1993 is hereby repealed and the National Commission for Backward Classes constituted under sub-section (1) of section 3 of the said Act shall stand dissolved.

Repeal and savings.

(2) The repeal of the National Commission for Backward Classes Act, 1993 shall, however, not affect,— 27 of 1993.

(i) the previous operation of the Act so repealed or anything duly done or suffered thereunder; or

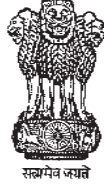
(ii) any right, privilege, obligation or liability acquired, accrued or incurred under the Act so repealed; or

(iii) any penalty, confiscation or punishment incurred in respect of any contravention under the Act so repealed; or

(iv) any proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, confiscation or punishment as aforesaid, and any such proceeding or remedy may be instituted, continued or enforced, and any such penalty, confiscation or punishment may be imposed or made as if that Act had not been repealed.

(3) The mention of the particular matters referred to in sub-section (2) shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 with regard to the effect of repeal. 10 of 1897.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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No. 38] NEW DELHI, FRIDAY, AUGUST 17, 2018/SHRAVANA 26, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 17th August, 2018/Shravana 26, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 17th August, 2018, and is hereby published for general information:—

THE NATIONAL SPORTS UNIVERSITY ACT, 2018

No. 25 OF 2018

[17th August, 2018.]

An Act to establish and incorporate a National Sports University in the State of Manipur, a specialised University first of its kind, to promote sports education in the areas of sports sciences, sports technology, sports management and sports coaching besides functioning as the national training centre for select sports disciplines by adopting best international practices and for matters connected therewith or incidental thereto.

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

1. (1) This Act may be called the National Sports University Act, 2018.

(2) It extends to the whole of India.

(3) It shall be deemed to have come into force on the 31st day of May, 2018.

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

(a) “Academic and Activity Council” means the Academic and Activity Council of the University;

(b) “academic staff” means such categories of staff as are designated as academic staff by the Ordinances;

Short title,
extent and
commencement.

Definitions.

(c) “Board of Sports Studies” means the Board of Sports Studies of a Department of the University;

(d) “Chancellor” means the Chancellor of the University;

(e) “College” means a college or other academic institution established or maintained by, or admitted to the privileges of, the University;

(f) “Court” means the Court of the University;

(g) “Department” means a Department of Studies and includes a Centre of Studies;

(h) “employee” means any person appointed by the University and includes teachers and other staff of the University;

(i) “Executive Council” means the Executive Council of the University;

(j) “Finance Committee” means the Finance Committee of the University;

(k) “Fund” means the University Fund referred to in section 30;

(l) “Hall” means a unit of residence or of corporate life for the students of the University, or of an Outlying Campus or of a College or an Institution, maintained by the University;

(m) “Head of the Department” means the head of any teaching department of the University;

(n) “Institution” means an academic institution, not being a College, maintained by, or admitted to the privileges of, the University;

(o) “Outlying Campus” means the campus of the University as may be established by it at any place within or outside India;

(p) “Principal” means the Head of a College or an Institution maintained by the University and includes, where there is no Principal, the person for the time being duly appointed to act as Principal, and in the absence of the Principal, or the acting Principal, a Vice-Principal duly appointed as such;

(q) “Regional Centre” means a centre established or maintained by the University for the purpose of coordinating and supervising the work of Study Centres in any region and for performing such other functions as may be conferred on such centre by the Executive Council;

(r) “Regulations” means the regulations made by any authority of the University under this Act for the time being in force;

(s) “School” means a School of Studies of the University;

(t) “section” means the section of this Act;

(u) “State” includes a Union territory;

(v) “Statutes” and “Ordinances” mean, respectively, the Statutes and the Ordinances of the University for the time being in force;

(w) “Study Centre” means a centre established, maintained or recognised by the University for the purpose of advising, counselling, training or for rendering any other assistance required by the students;

(x) “teachers of the University” means Professors, Associate Professors, Assistant Professors and such other persons as may be appointed for imparting instructions, training or conducting research in the University or in any Outlying Campus, College or Institution or Regional Centres and Study Centres maintained by the University and are designated as teachers by the Ordinances;

(y) “University” means the National Sports University established and incorporated as a University under this Act;

(z) “Vice-Chancellor” means the Vice-Chancellor of the University.

3. (1) There shall be established a University by the name of “National Sports University”.

Establishment
of
University.

(2) The headquarters of the University shall be in the State of Manipur and it may establish or maintain Outlying Campuses, Colleges, Regional Centres and Study Centres at such other places in India as it may deem fit:

Provided that the University may, with the prior approval of the Central Government, also establish Outlying Campuses and Study Centres outside India.

(3) The first Chancellor, the first Vice-Chancellor and the first members of the Court, the Executive Council and the Academic and Activity Council, and all such persons who may hereafter become such officers or members, so long as they continue to hold such office or membership, are hereby constituted a body corporate by the name of “National Sports University”.

(4) The University shall have perpetual succession and a common seal, and shall sue and be sued by the said name.

4. The objects of the University shall be—

Objects of
University.

(i) to evolve as an institute of advanced study in the field of physical education and sports sciences;

(ii) to provide for research and development and dissemination of knowledge in physical education and sports sciences by providing specially designed academic and training programmes in various areas of physical education and sports sciences and training in advanced technologies of sports;

(iii) to strengthen physical education and sports training programmes to promote sports including traditional and tribal sports and games;

(iv) to establish centres and institutions of excellence for imparting state of the art educational training and research in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(v) to provide professional and academic leadership to other institutions in the field of physical education and sports sciences;

(vi) to provide vocational guidance and placement services in physical education, sports sciences, sports medicine, sports technology and other related fields;

(vii) to generate capabilities for the development of knowledge, skills and competences at various levels in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(viii) to generate capabilities to provide infrastructure of international standard for education, training and research in the areas related to physical education and sports sciences, sports technology and high performance training for all sports and games;

(ix) to prepare highly qualified professionals in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(x) to serve as a Centre of Excellence for the elite and other talented sportspersons of all sports and games and innovation in physical education and sports sciences and to carry out, endorse and propagate research;

(xi) to function as a leading resource centre for knowledge and development in the areas of physical education and sports sciences, sports technology and high performance training for all sports and games;

(xii) to provide international collaboration in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(xiii) to establish close linkage with sports academies, schools, colleges, sports and recreation clubs, sports associations and international federations for the purpose of teaching, training and research in physical education and sports sciences, sports technology and high performance training for all sports and games;

(xiv) to train talented athletes so as to help them to evolve into elite athletes of international level;

(xv) to make India become a sporting power;

(xvi) such other objects, not inconsistent with the provisions of this Act, which the Central Government may, by notification in the Official Gazette, specify in this behalf.

Powers and
functions of
University.

5. (1) The University shall have the following powers and functions, namely:—

(i) to plan, design, develop and prescribe courses of study and conduct appropriate academic and training programmes in physical education and sports sciences including sports technology and to provide for instruction and training in such branches of learning as the University may, from time to time, determine and to make provisions for research and for the advancement and dissemination of knowledge;

(ii) to grant, subject to such conditions as the University may determine, diplomas or certificates to, and confer degrees or other academic distinctions on, persons, on the basis of examinations, evaluation or any method of testing, and to withdraw any such certificates, diplomas, degrees or other academic distinctions for good and sufficient cause;

(iii) to provide opportunities to the students of the University to participate in the sports tournaments and competitions in co-ordination with established International Sports Federations, National Sports Federations, Indian Olympic Association and Association of Indian Universities;

(iv) to have liaison or membership with various international professional organisations or bodies;

(v) to establish and maintain, with the prior approval of the Central Government, such Outlying Campuses, Regional Centres, specialised laboratories or other units for research, instruction and training as are, in the opinion of the University, necessary for the furtherance of its objects;

(vi) to establish, maintain or recognise Study Centres in the manner laid down by the Statutes;

(vii) to establish and maintain Colleges, Institutions and Halls;

(viii) to confer honorary degrees or other distinctions in the manner prescribed by the Statutes;

(ix) to institute Principalships, Professorships, Associate Professorships, Assistant Professorships and other teaching or academic positions, required by the University and to appoint persons to such Principalships, Professorships, Associate Professorships, Assistant Professorships or other teaching or academic positions;

(x) to appoint persons working in any University or academic institution, including those located outside the country, as teachers of the University for a specified period;

(xi) to create administrative, ministerial and other posts and to make appointments thereto;

(xii) to co-operate or collaborate or associate with any other University or authority or Institution of higher learning, including those located outside the country, in such manner and for such purposes as the University, may determine;

(xiii) to provide facilities through the distance education system to such persons and in such manner as may be prescribed by the Statutes;

(xiv) to institute and award fellowships, scholarships, studentship, medals and prizes for raising academic standards and research;

(xv) to organise and to undertake extramural studies, training and extension services;

(xvi) to make provision for research and advisory services and for that purpose, to enter into such arrangements with other institutions, industrial or other organisations, as the University may deem necessary;

(xvii) to organise and conduct refresher courses, workshops, seminars and other programmes for teachers, evaluators, other academic staff and students;

(xviii) to appoint on contract or otherwise visiting Professors, Emeritus Professors, Consultants and such other persons who may contribute to the advancement of the objects of the University;

(xix) to determine standards of admission to the University, which may include examination, evaluation or any other method of testing;

(xx) to demand and receive payment of fees and other charges;

(xxi) to supervise the residences of the students of the University and to make arrangements for promoting their health and general welfare;

(xxii) to lay down conditions of service of all categories of employees, including their code of conduct;

(xxiii) to regulate and enforce discipline among the students and the employees, and to take such disciplinary measures in this regard as may be deemed by the University to be necessary;

(xxiv) to make arrangements for promoting the health and general welfare of the employees;

(xxv) to receive benefactions, donations and gifts and to acquire, hold and manage, and to dispose of, with the previous approval of the Central Government, any property, movable or immovable, including trust and endowment properties, for the purposes of the University;

(xxvi) to borrow, with the previous approval of the Central Government, on the security of the property of the University, money for the purposes of the University;

(xxvii) to conduct innovative experiments and promote new methods and technologies in the fields of physical education, sports sciences, sports medicine, sports technology, sports management and other related fields;

(xxviii) to purchase or to take on lease any land or building or sports complex or sports infrastructure and scientific sports research equipment or indoor stadium or works which may be necessary or convenient for the purposes of the University, on such terms and conditions as it may think fit and proper and to construct, alter and maintain any such building or work;

(xxix) to start any new allied course or research programme or diploma or training programme and discontinue any course or training programme;

(xxx) to invest the funds of the University in or upon such securities and transpose any investment from time to time in such manner as it may deem fit in the interest of the University;

(xxxi) to execute conveyances regarding transfers, mortgages, leases, licenses, agreements and other conveyances in respect of the property, movable or immovable, including Government securities, belonging to the University or to be acquired for the purposes of the University, after taking prior permission of the Central Government;

(xxxii) to act as a technical advisory body to Government of India and other National Organisations, State Governments and National Sports Federations on all matters related to sports;

(xxxiii) to provide training, coaching and other back up to high level sports persons for achieving success in different national and international sports competitions;

(xxxiv) to give effect to the procedures and standards provided under the Khelo India Scheme or the National Sports Talent Search and Identification Scheme;

(xxxv) to confer autonomous status on a College or an Institution in the manner laid down by the Statutes;

(xxxvi) to admit to its privileges any College or Institution in or outside India subject to such conditions as may be laid down by the Statutes:

Provided that no College or Institution shall be so admitted except with the prior approval of the Central Government;

(xxxvii) to provide for the preparation of instructional and training materials, including films, cassettes, tapes, video cassettes and other software;

(xxxviii) to recognise persons for imparting instructions in any College or Institution admitted to the privileges of the University; and

(xxxix) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of its objects.

(2) The University shall in the exercise of its powers have jurisdiction over the whole of India and to the Outlying Campuses and Study Centres outside India.

(3) In exercising its powers referred to in sub-section (1), it shall be the endeavour of the University to maintain an all-India character and high standards of teaching, training and research, and the University shall, among other measures which may be necessary for the said purpose, take, in particular, the following measures, namely:—

(i) admissions of students and recruitment of faculty shall be made on all-India basis through appropriate procedures approved by the Executive Council of the University;

(ii) foreign students shall be admitted by the University to various courses and programmes as per the policy and schemes of the Government of India and the procedure approved by the Executive Council of the National Sports University;

(iii) inter-University mobility of faculty with portable pension scheme benefits, if any, and protection of seniority shall be encouraged;

(iv) semester system, continuous evaluation and choice-based credit system shall be introduced and the University shall enter into agreement with other Universities and academic institutions for credit transfer and joint degree programmes;

(v) innovative courses and programmes of studies shall be introduced with a provision for periodic review and restructuring;

(vi) active participation of students shall be ensured in all academic activities of the University, including evaluation of teachers;

(vii) accreditation shall be obtained from the National Assessment and Accreditation Council or any other accrediting agency at the national level; and

(viii) e-governance shall be introduced with effective management information.

6. The University shall be open to persons of any sex and of whatever caste, creed, race or class, and it shall not be lawful for the University to adopt or impose on any person, any test whatsoever of religious belief or profession in order to entitle such person to be appointed as a teacher of the University or to hold any other office therein or to be admitted as a student in the University or to graduate thereat or to enjoy or exercise any privilege thereof:

University to be open to all caste, creed, race or class.

Provided that nothing in this section shall be deemed to prevent the University from making special provisions for the employment or admission of women, persons with disabilities or of persons belonging to the weaker sections of the society and, in particular, of the Scheduled Castes, the Scheduled Tribes and the other socially and educationally backward classes of citizens:

Provided further that no such special provision shall be made on the ground of domicile.

7. (1) The Central Government may, from time to time, appoint one or more persons to review the work and progress of the University, including Outlying Campuses, Colleges, Institutions, Regional Centres and Study Centres maintained by it, and to submit a report thereon; and upon receipt of that report, the Central Government may, after obtaining the views of the Executive Council thereon through the Vice-Chancellor, take such action and issue such directions, as it considers necessary, in respect of any of the matters dealt with in the report and the University shall abide by such action and be bound to comply with such directions.

Central Government to review work and progress of University.

(2) The Central Government shall have the right to cause an inspection to be made by such person or persons, as it may direct, of the University, its buildings, sports complexes, libraries, laboratories and equipment, and of any Outlying Campus or College or Institution or Regional Centres or Study Centres maintained by the University; and also of the examinations, teaching and other work conducted or done by the University and to cause an inquiry to be made in like manner in respect of any matter connected with the administration or finances of the University, Colleges or Institutions or Regional Centres or Study Centres.

(3) The Central Government shall, in every matter referred to in sub-section (2), give notice of its intention to cause an inspection or inquiry to be made, to the University, and the University shall have the right to make such representations to the Central Government, as it may consider necessary.

(4) After considering the representations, if any, made by the University, the Central Government may cause to be made such inspection or inquiry as is referred to in sub-section (3).

(5) Where any inspection or inquiry has been caused to be made by the Central Government, the University shall be entitled to appoint a representative, who shall have the right to be present and be heard at such inspection or inquiry.

(6) The Central Government may, if the inspection or inquiry is made in respect of the University or any Outlying Campus or College or Institution or Regional Centre or Study Centre established or maintained by it, address the Vice-Chancellor with reference to the result of such inspection or inquiry together with such views and advice with regard to the action to be taken thereon, as the Central Government may be pleased to offer, and on receipt of address made by the Central Government, the Vice-Chancellor shall communicate to the Executive Council the views of the Central Government with such advice as the Central Government may offer upon the action to be taken thereon.

(7) The Executive Council shall communicate through the Vice-Chancellor to the Central Government such action, if any, as it proposes to take or has been taken upon the result of such inspection or inquiry.

(8) Where, the Executive Council does not, within a reasonable time, take action to the satisfaction of the Central Government, it may, after considering any explanation furnished or representation made by the Executive Council, issue such directions, as it may think fit, and the Executive Council shall comply with such directions.

(9) Without prejudice to the foregoing provisions of this section, the Central Government may, by order in writing, annul any proceeding of the University which is not in conformity with the provisions of this Act or the Statutes or the Ordinances:

Provided that before making any such order, the Central Government shall call upon the Vice-Chancellor to show cause why such an order should not be made, and, if any cause is shown within a reasonable time, it shall consider the same.

(10) The Central Government shall have such other powers, in respect of the affairs of the University, as may be prescribed by the Statutes.

Officers of
University.

8. The following shall be the officers of the University, namely:—

(a) the Chancellor;

(b) the Vice-Chancellor;

(c) the Deans of Schools;

(d) the Registrar;

(e) the Finance Officer;

(f) the Controller of Examinations;

(g) the Librarian; and

(h) such other officers as may be declared by the Statutes to be the officers of the University.

Chancellor.

9. (1) The Chancellor shall be appointed by the Central Government in such manner as may be prescribed by the Statutes.

(2) The Chancellor shall, by virtue of his office, be the head of the University and shall, if present, preside at the Convocations of the University held for conferring degrees and other ceremonial functions and also the meetings of the Court.

Vice-
Chancellor.

10. (1) The Vice-Chancellor shall be appointed by the Central Government in such manner as may be prescribed by the Statutes.

(2) The Vice-Chancellor shall be the principal executive and academic officer of the University and shall exercise general supervision and control over the affairs of the University and give effect to the decisions of all the authorities of the University.

(3) The Vice-Chancellor may, if he is of the opinion that immediate action is necessary on any matter, exercise any power conferred on any authority of the University by or under this Act and shall apprise such authority at its next meeting the action taken by him on such matter:

Provided that if the authority concerned is of the opinion that such action ought not to have been taken, it may refer the matter to the Central Government whose decision thereon shall be final:

Provided further that any person in the service of the University who is aggrieved by the action taken by the Vice-Chancellor under this sub-section shall have the right to represent against such action to the Executive Council within three months from the date on which decision on such action is communicated to him and thereupon the Executive Council may confirm, modify or reverse the action taken by the Vice-Chancellor.

(4) Where the Vice-Chancellor is of the opinion that any decision taken by any authority of the University is beyond the powers of the authority conferred under the provisions of

this Act or the Statutes or the Ordinances, or that any decision taken by the authority is not in the interest of the University, he may ask the authority concerned to review its decision within sixty days of such decision and if the authority refuses to review the decision either in whole or in part or no decision is taken by it within the said period of sixty days, the matter shall be referred to the Central Government whose decision thereon shall be final.

(5) The Vice-Chancellor shall exercise such other powers and perform such other duties as may be prescribed by the Statutes or the Ordinances.

11. Every Dean of School shall be appointed in such manner, and on such terms and conditions of service, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes. Deans of Schools.

12. (1) The Registrar shall be appointed in such manner, and on such terms and conditions of service, as may be prescribed by the Statutes. Registrar.

(2) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

13. The Finance Officer shall be appointed in such manner, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes. Finance Officer.

14. Controller of Examinations shall be appointed in such manner and shall exercise such powers and perform such duties, as may be prescribed by the Statutes. Controller of Examinations.

15. The Librarian shall be appointed in such manner and on such terms and conditions of service, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes. Librarian.

16. The manner of appointment and powers and duties of other officers of the University shall be prescribed by the Statutes. Other officers.

17. The following shall be the authorities of the University, namely:— Authorities of University.

(a) the Court;

(b) the Executive Council;

(c) the Academic and Activity Council;

(d) the Board of Sports Studies;

(e) the Finance Committee;

(f) such other authorities as may be declared by the Statutes to be the authorities of the University.

18. (1) The constitution of the Court and the term of office of its members shall be prescribed by the Statutes. The Court.

(2) Subject to the provisions of this Act, the Court shall have the following powers and functions, namely:—

(a) to review, from time to time, the broad policies and programmes of the University, and to suggest measures for the improvement and development of the University;

(b) to consider and pass resolutions on the annual report and the annual accounts of the University and the audit report on such accounts;

(c) to advise the Central Government in respect of any matter which may be referred to it for advice; and

(d) to perform such other functions as may be prescribed by the Statutes.

19. (1) The Executive Council shall be the principal executive body of the University. Executive Council.

(2) The constitution of the Executive Council, the term of office of its members and its powers and functions shall be prescribed by the Statutes.

Academic and
Activity
Council.

20. (1) The Academic and Activity Council shall be the principal academic body of the University and shall, subject to the provisions of this Act, the Statutes and the Ordinances, co-ordinate and exercise general supervision over the academic policies of the University.

(2) The constitution of the Academic and Activity Council, the term of office of its members and its powers and functions shall be prescribed by the Statutes:

Provided that the Academic and Activity Council shall have sports persons who have achieved distinction in Olympics or world championships.

Board of
Sports Studies.

21. The constitution, powers and functions of the Board of Sports Studies shall be prescribed by the Statutes.

Finance
Committee.

22. The constitution, powers and functions of the Finance Committee shall be prescribed by the Statutes.

Other
authorities of
University.

23. The constitution, powers and functions of other authorities, as may be declared by the Statutes to be the authorities of the University, shall be prescribed by the Statutes.

Power to
make
Statutes.

24. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the constitution, powers and functions of authorities and other bodies of the University, as may be constituted from time to time;

(b) the appointment and continuance in office of the members of the said authorities and bodies, the filling up of vacancies of members, and all other matters relating to those authorities and other bodies for which it may be necessary or desirable to provide;

(c) the appointment, powers and duties of the officers of the University and their emoluments;

(d) the appointment of teachers, academic staff and other employees of the University, the emoluments and conditions of service;

(e) the appointment of teachers and academic staff working in any other University or organisation for a specific period for undertaking a joint project;

(f) the conditions of service of employees including provisions for pension, insurance, provident fund, the manner of termination of service and disciplinary action;

(g) the principles governing the seniority of service of the employees of the University;

(h) the procedure for arbitration in cases of dispute between employees or students and the University;

(i) the procedure for appeal to the Executive Council by any employee or student against the action of any officer or authority of the University;

(j) the conferment of autonomous status on a College or an Institution or a Department;

(k) the establishment and abolition of Schools, Departments, Centres, Halls, Colleges, Institutions, Regional Centres and Study Centres;

(l) the conferment of honorary degrees;

(m) the conferment and withdrawal of degrees, diplomas, certificates and other academic distinctions;

(n) the management of Colleges, Institutions, Regional Centres and Study Centres established and maintained by the University;

(o) the delegation of powers vested in the authorities or officers of the University;

(p) the maintenance of discipline among the employees and students; and

(q) all other matters which by this Act are to be, or may be, provided for by the Statutes.

25. (1) The first Statutes are those set out in the Schedule to this Act.

Statutes, how to be made.

(2) The Executive Council may, from time to time, make new or additional Statutes or may amend or repeal any Statutes referred to in sub-section (1):

Provided that the Executive Council shall not make, amend or repeal any Statutes affecting the status, powers or constitution of any authority of the University until such authority has been given an opportunity of expressing an opinion in writing on proposed changes, and any opinion so expressed shall be considered by the Executive Council.

(3) Every new Statutes or Statutes amending or repealing existing Statutes shall require the approval of the Central Government and unless so approved, they shall be invalid.

(4) Notwithstanding anything contained in the foregoing sub-sections, the Central Government may make new or additional Statutes or amend or repeal the Statutes referred to in sub-section (1), during the period of three years immediately after the commencement of this Act:

Provided that the Central Government may, on the expiry of the said period of three years, make, within one year from the date of such expiry, such detailed Statutes as it may consider necessary and such detailed Statutes shall be laid before both Houses of Parliament.

(5) Notwithstanding anything contained in this section, the Central Government may direct the University to make provisions in the Statutes in respect of any matter specified by it and if the Executive Council is unable to implement such direction within sixty days of its receipt, the Central Government may, after considering the reasons, if any, communicated by the Executive Council for its inability to comply with such direction, make or amend the Statutes suitably.

26. (1) Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any of the following matters, namely:—

Power to make Ordinances.

(a) the admission of students to the University and their enrolment as such;

(b) the courses of study and their duration to be laid down for all degrees, diplomas and certificates of the University;

(c) the medium of instruction and examination;

(d) the award of degrees, diplomas, certificates and other academic distinctions, the qualifications for the same and the means to be taken relating to the granting and obtaining of the same;

(e) the fees to be charged for courses of study in the University and for admission to examinations, degrees and diplomas of the University;

(f) the conditions for award of fellowships, scholarships, studentships, medals and prizes;

(g) the conduct of examinations, including the term of office and manner of appointment and the duties of examining bodies, examiners and moderators;

(h) the conditions of residence of the students of the University;

(i) the special arrangements, if any, which may be made for the residence and teaching of women students and the prescribing of special courses of studies for them;

(j) the establishment of Centres of Studies, Board of Studies, Specialised Laboratories and other Committees;

(k) the manner of co-operation and collaboration with other Universities, institutions and other agencies including learned bodies or associations;

(l) the creation, composition and functions of any other body which is considered necessary for improving the academic life of the University;

(m) the institution of fellowships, scholarships, studentships, medals and prizes;

(n) the setting up of a machinery for redressal of grievances of employees and students; and

(o) any other matter which, by this Act or the Statutes, is to be or may be, provided for by the Ordinances.

(2) The first Ordinances shall be made by the Vice-Chancellor with previous approval of the Executive Council and the Ordinances so made may also be amended or repealed at any time by the Executive Council in the manner prescribed by the Statutes.

Regulations.

27. The authorities of the University may make Regulations, consistent with this Act, the Statutes and the Ordinances, for the conduct of their own business and that of the Committees, if any, appointed by them and not provided for by this Act, the Statutes or the Ordinances, in the manner prescribed by the Statutes.

Annual report.

28. (1) The annual report of the University shall be prepared under the directions of Executive Council, which shall include, among other matters, the steps taken by the University towards the fulfilment of its objects and shall be submitted to the Court on or before such date as may be prescribed by the Statutes and the Court shall consider the report in its annual meeting.

(2) The Court shall submit the annual report to the Central Government along with its comments, if any.

(3) The Central Government shall, as soon as may be, cause a copy of the annual report to be laid before both the Houses of Parliament.

Annual accounts.

29. (1) The annual accounts and balance-sheet of the University shall be prepared under the directions of the Executive Council and shall, once at least every year and at intervals of not more than fifteen months, be audited by the Comptroller and Auditor-General of India or by such persons as he may authorise in this behalf.

(2) A copy of the annual accounts together with the audit report thereon shall be submitted to the Court and the Central Government along with the observations of the Executive Council.

(3) Any observations made by the Central Government on the annual accounts shall be brought to the notice of the Court and the observations of the Court, if any, shall, after being considered by the Executive Council, be submitted to the Central Government.

(4) The Central Government shall, as soon as may be, cause the copy of the annual accounts together with the audit report to be laid before both the Houses of Parliament.

(5) The audited annual accounts after having been laid before both the Houses of Parliament shall be published in the Official Gazette.

Fund of University.

30. (1) There shall be a University Fund which shall include—

(a) any contribution or grant made by the University Grants Commission or the Central Government;

(b) any contribution or grant made by the State Government;

(c) any contribution made by Government, semi-Government or autonomous bodies;

(d) any loans, gifts, bequests, donations, endowments or other grants, if any;

(e) income received by the University from fees and charges;

(f) the moneys received by the University from the collaborating industries in terms of the provisions of the Memorandum of Understanding entered between the University and the industry for the establishment of sponsored chairs, fellowships or infrastructure facilities of the University; and

(g) amounts received in any other manner from any other source.

(2) All funds of the University shall be deposited in such banks or invested in such manner as the Board may decide on the recommendation of the Finance Committee.

(3) The funds of the University shall be applied towards the expenses of the University including expenses incurred in the exercise of its powers and discharge of its functions by or under this Act.

31. The University shall furnish to the Central Government such returns or other information with respect to its property or activities, within such period, as the Central Government may, from time to time, require.

Returns and information.

32. (1) Every employee of the University shall be appointed under a written contract, which shall be lodged with the University and a copy of which shall be furnished to the employee concerned.

Conditions of service of employees, etc.

(2) Any dispute arising out of the contract between the University and any employee shall, at the request of the employee, be referred to a Tribunal of Arbitration consisting of one member appointed by the Executive Council, one member nominated by the employee concerned and an umpire appointed by the Central Government.

(3) The decision of the Tribunal shall be final and no suit shall lie in any civil court in respect of the matters decided by the Tribunal:

Provided that nothing in this sub-section shall preclude the employee from availing of judicial remedies available under articles 32 and 226 of the Constitution.

(4) Every request made by the employee under sub-section (2) shall be deemed to be a submission to arbitration upon the terms of this section within the meaning of the Arbitration and Conciliation Act, 1996.

(5) The procedure for regulating the work of the Tribunal shall be prescribed by the Statutes.

33. (1) Any student or candidate for an examination whose name has been removed from the rolls of the University by the orders or resolution of the Vice-Chancellor, Discipline Committee or Examination Committee, as the case may be, and who has been debarred from appearing at the examinations of the University for more than one year, may, within ten days of the date of receipt of such orders or copy of such resolution by him, appeal to the Executive Council and the Executive Council may confirm, modify or reverse the decision of the Vice-Chancellor or the Committee, as the case may be.

Procedure of appeal and arbitration in disciplinary cases against students.

(2) Any dispute arising out of any disciplinary action taken by the University against a student shall, at the request of such student, be referred to a Tribunal of Arbitration and the provisions of sub-sections (2), (3), (4) and (5) of section 32 shall, as far as may be, apply to a reference made under this sub-section.

34. Every employee or student of the University or of a College or an Institution or a Regional Centre or a Study Centre established or maintained by the University shall,

Right to appeals.

notwithstanding anything contained in this Act, have a right to appeal to the Executive Council within such time, as may be prescribed by the Statutes, against the decision of any officer or authority of the University, or of the Principal or the management of any College or Institution or Regional Centre or Study Centre, as the case may be, and thereupon, the Executive Council may confirm, modify or reverse the decision appealed against.

Provident and pension funds.

35. (1) The University shall constitute for benefit of its employees such provident fund or any other similar fund or provide such insurance schemes, as it may deem fit, in such manner and subject to such conditions, as may be prescribed by the Statutes.

(2) Where such provident fund or other similar fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 shall apply to such fund, as if it were a Government provident fund.

19 of 1925.

Disputes as to constitution of authorities and bodies.

36. If any question arises as to whether any person has been duly elected or appointed as, or is entitled to be, a member of any authority or other body of the University, the matter shall be referred to the Central Government whose decision thereon shall be final.

Filling of casual vacancies.

37. All casual vacancies among the members (other than *ex officio* members) of any authority or other body of the University shall be filled, as soon as may be, by the person or body who appoints, elects or co-opts the member whose place has become vacant and the persons appointed, elected or co-opted to a casual vacancy shall be a member of such authority or body for the residue of the term for which the person whose place he fills would have been a member.

Proceedings of authorities or bodies not invalidated by vacancies.

38. No act or proceedings of any authority or other body of the University shall be invalid merely by reason of the existence of a vacancy or vacancies among its members.

Protection of action taken in good faith.

39. No suit or other legal proceedings shall lie against any officer or other employee of the University for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act, the Statutes or the Ordinances.

Mode of proof of University record.

40. Notwithstanding anything contained in the Indian Evidence Act, 1872 or in any other law for the time being in force, a copy of any receipt, application, notice, order, proceeding or resolution of any authority or other body of the University, or any other document in possession of the University, or any entry in any register duly maintained by the University, if certified by the Registrar, shall be received as *prima facie* evidence of such receipt, application, notice, order, proceeding, resolution or document or the existence of entry in the register and shall be admitted as evidence of the matters and transactions therein where the original thereof would, if produced, have been admissible in evidence.

1 of 1872.

Power to remove difficulties.

41. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.

(2) Every order made under sub-section (1) 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 order or both Houses agree that the order should not be made, the order 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 order.

42. (1) Every Statute, Ordinance or Regulation made under this Act shall be published in the Official Gazette.

Statutes, Ordinances and Regulations to be published in the Official Gazette and to be laid before Parliament.

(2) Every Statute, Ordinance or 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 Statute, Ordinances or Regulations or both Houses agree that the Statute, Ordinances or Regulations should not be made, the Statute, Ordinances or Regulations 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 the Statute, Ordinances or Regulations.

(3) The power to make Statutes, Ordinances or Regulations shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Act, to the Statutes, Ordinances or Regulations or any of them but no retrospective effect shall be given to any Statutes, Ordinances or Regulations so as to prejudicially affect the interests of any person to whom such Statutes, Ordinances or Regulations may be applicable.

43. Notwithstanding anything contained in this Act and the Statutes,—

Transitional provisions.

(a) the first Vice-Chancellor shall be appointed by the Central Government in such manner and on such conditions as may be deemed fit and the said officer shall hold office for such term, not exceeding five years, as may be specified by the Central Government;

(b) the first Registrar and the first Finance Officer shall be appointed by the Central Government and each of the said officers shall hold office for a term of three years;

(c) the first Court and the first Executive Council shall consist of not more than thirty-one members and eleven members, respectively, who shall be nominated by the Central Government and shall hold office for a term of three years; and

(d) the first Academic and Activity Council shall consist of not more than twenty-one members, who shall be nominated by the Central Government and they shall hold office for a term of three years:

Provided that if any vacancy occurs in the above offices or authorities, the same shall be filled by appointment or nomination, as the case may be, by the Central Government and the person so appointed or nominated shall hold office for so long as the officer or member in whose place he is appointed or nominated would have held office, if such vacancy had not occurred.

Ord. 5 of 2018.

44. (1) The National Sports University Ordinance, 2018 is hereby repealed.

Repeal and savings.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE SCHEDULE

[See section 25(1)]

The Statutes of the University

Chancellor.

1. (1) The Chancellor shall be appointed by the Central Government from a panel of names of not less than three persons recommended by the Executive Council:

Provided that if the Central Government does not approve any of the persons included in the panel, it may call for an extended fresh panel.

(2) The Chancellor shall be an eminent person in the field of sports who shall either be a sports person himself or a Sports Administrator or a Sports Academician.

(3) The Chancellor shall hold office for the term of five years and shall not be eligible for re-appointment:

Provided that notwithstanding the expiry of his term of office, the Chancellor shall continue to hold office until his successor enters upon his office.

Vice-Chancellor.

2. (1) The Vice-Chancellor shall be appointed by the Central Government from out of a panel of names recommended by a Committee as constituted under clause (2):

Provided that if the Central Government does not approve any of the persons included in the panel, it may call for an extended fresh panel.

(2) The Committee referred to in clause (1) shall consist of five persons, out of whom three shall be nominated by the Executive Council and two by the Central Government, and one of the nominees of the Central Government shall be the convener of the Committee:

Provided that none of the members of the Committee shall be an employee of the University or of a College or Institution or Regional Centre or Study Centre established or maintained by the University or a member of any authority of the University.

(3) The Vice-Chancellor shall be a whole-time salaried officer of the University.

(4) The Vice-Chancellor shall hold office for a term of five years from the date on which he enters upon his office, or until he attains the age of seventy years, whichever is earlier, and he shall not be eligible for re-appointment:

Provided that notwithstanding the expiry of the said period of five years, he shall continue in office until his successor is appointed and enters upon his office:

Provided further that the Central Government may direct any Vice-Chancellor after his term has expired, to continue in office for such period, not exceeding a total period of one year, as may be specified by it:

Provided also that when the office of the Vice-Chancellor becomes vacant due to death, resignation or otherwise, or, as the case may be, due to illness or such other cause, the Executive Council may appoint the senior-most Dean to perform the functions of the Vice-Chancellor until a new Vice-Chancellor is appointed or, as the case may be, the existing Vice-Chancellor resumes his duties.

(5) Notwithstanding anything contained in clause (4), the Central Government may, at any time after the Vice-Chancellor has entered upon his office, by an order in writing, remove the Vice-Chancellor from office on grounds of incapacity, misconduct or violation of statutory provisions:

Provided that no such order shall be made by the Central Government unless the Vice-Chancellor has been given a reasonable opportunity of showing cause against the action proposed to be taken against him:

Provided further that the Central Government may, at any time before making such order, place the Vice-Chancellor under suspension, pending enquiry.

(6) (a) The Vice-Chancellor shall be paid a monthly salary and allowances, other than house rent allowance, at the rates fixed by the Central Government from time to time and he shall be entitled, without payment of rent, to use a furnished residence throughout his term of office and no charge shall fall on the Vice-Chancellor in respect of the maintenance of such residence.

(b) The Vice-Chancellor shall be entitled to such terminal benefits and allowances as may be fixed by the Central Government from time to time:

Provided that where an employee of the University or of a College, Institution, Regional Centre or Study Centre established or maintained by the University, or of any other University or any College or Institution admitted to the privileges of the University or such other University, is appointed as the Vice-Chancellor, he may be allowed to continue to contribute to any provident fund of which he is a member and the University shall contribute to the account of such person in that provident fund at the same rate at which the person had been contributing immediately before his appointment as the Vice-Chancellor:

Provided further that where such employee had been a member of any pension scheme, the University shall make the necessary contribution to such scheme.

(c) The Vice-Chancellor shall be entitled to travelling allowance at such rates as may be fixed by the Executive Council.

(d) The Vice-Chancellor shall be entitled to leave on full pay at the rate of thirty days in a calendar year and the leave shall be credited to his account in advance in two half-yearly instalments of fifteen days each on the first day of January and July every year:

Provided that if the Vice-Chancellor assumes or relinquishes charge of the office of the Vice-Chancellor during the currency of a half-year, the leave shall be credited proportionately at the rate of two and-a-half days for each completed month of service.

(e) In addition to the leave referred to in sub-clause (d), the Vice-Chancellor shall also be entitled to half-pay leave at the rate of twenty days for each completed year of service, and half-pay leave may also be availed of as commuted leave on full pay on medical certificate:

Provided that when such commuted leave is availed of, twice the amount of half-pay leave shall be debited against half-pay leave due.

3. (1) The Vice-Chancellor shall be *ex officio* Chairman of the Executive Council, the Academic and Activity Council and the Finance Committee and shall, in the absence of the Chancellor, preside at the Convocations held for conferring degrees and at meetings of the Court.

Powers and duties of Vice-Chancellor.

(2) The Vice-Chancellor shall be entitled to be present at, and address, any meeting of any authority or other body of the University, but shall not be entitled to vote thereat unless he is a member of such authority or body.

(3) It shall be the duty of the Vice-Chancellor to see that this Act, the Statutes, the Ordinances and the Regulations are duly observed and he shall have all the powers necessary to ensure such observance.

(4) The Vice-Chancellor shall have all the powers necessary for the proper maintenance of discipline in the University and he may delegate any such powers to such person or persons as he deems fit.

(5) The Vice-Chancellor shall have the power to convene or cause to be convened the meetings of the Executive Council, the Academic and Activity Council and the Finance Committee.

Deans of
Schools.

4. (1) Every Dean of School shall be appointed by the Vice-Chancellor from amongst the Professors in the School by rotation in order of seniority for a period of three years:

Provided that in case there is only one Professor or no Professor in a School, the Dean shall be appointed, for the time being, from amongst the Professor, if any, and the Associate Professors in the School, by rotation in the order of seniority:

Provided further that a Dean on attaining the age of sixty-five years shall cease to hold office as such.

(2) When the office of the Dean is vacant or when the Dean is, by reason of illness, absence or any other cause, unable to perform duties of his office, the duties of the office shall be performed by the senior-most Professor or Associate Professor, as the case may be, in the School.

(3) The Dean shall be the Head of the School and shall be responsible for the conduct and maintenance of the standards of teaching and research in the School and shall have such other functions as may be prescribed by the Ordinances.

(4) The Dean shall have the right to be present and to speak at any meeting of the Boards of Sports Studies or Committees of the School, as the case may be, but shall not have the right to vote thereat unless he is a member thereof.

Registrar.

5. (1) The Registrar shall be appointed by the Executive Council on the recommendation of a Selection Committee constituted for the purpose and shall be whole-time salaried officer of University.

(2) The Registrar shall be appointed for a term of five years and shall be eligible for re-appointment.

(3) The emoluments and other terms and conditions of service of the Registrar shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Registrar shall retire on attaining the age of sixty-two years.

(4) When the office of the Registrar is vacant or when the Registrar is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) (a) The Registrar shall have power to take disciplinary action against such of the employees, excluding teachers and other academic staff, as may be specified in the order of the Executive Council and to suspend them pending inquiry, to administer warnings to them or to impose on them the penalty of censure or the withholding of increment:

Provided that no such penalty shall be imposed unless the person has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(b) An appeal shall lie to the Vice-Chancellor against any order of the Registrar imposing any of the penalties specified in sub-clause (a).

(c) In a case where the inquiry discloses that a punishment beyond the power of the Registrar is called for, the Registrar shall, upon the conclusion of the inquiry, make a report to the Vice-Chancellor along with his recommendation:

Provided that an appeal shall lie to the Executive Council against an order of the Vice-Chancellor imposing any penalty.

(6) The Registrar shall be *ex officio* Secretary of the Executive Council and the Academic and Activity Council, but shall not be deemed to be member of either of these authorities and he shall be *ex officio* Member-Secretary of the Court.

(7) It shall be the duty of the Registrar—

(a) to be the custodian of the records, the common seal and such other property of the University as the Executive Council shall commit to his charge;

(b) to issue all notices convening meetings of the Court, the Executive Council, the Academic and Activity Council and of any Committee appointed by those authorities;

(c) to keep the minutes of all the meetings of the Court, the Executive Council, the Academic and Activity Council and of any Committees appointed by those authorities;

(d) to conduct the official correspondence of the Court, the Executive Council and the Academic and Activity Council;

(e) to supply to the Central Government, copies of the agenda of the meetings of the authorities of the University as soon as they are issued and the minutes of such meetings;

(f) to represent the University in suits or proceedings by or against the University, sign powers of attorney and verify pleadings or depute his representative for the purpose; and

(g) to perform such other duties as may be specified in the Statutes, the Ordinances or Regulations or as may be required from time to time by the Executive Council.

6. (1) The Finance Officer shall be appointed by the Executive Council on the recommendations of the Selection Committee constituted for the purpose and shall be a whole-time salaried officer of the University.

Finance
Officer.

(2) The Finance Officer shall be appointed for a term of five years and shall be eligible for re-appointment.

(3) The emoluments and other terms and conditions of service of the Finance Officer shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Finance Officer shall retire on attaining the age of sixty-two years.

(4) When the office of the Finance Officer is vacant or when the Finance Officer is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) The Finance Officer shall be *ex officio* Secretary of the Finance Committee, but shall not be deemed to be a member of such Committee.

(6) The Finance Officer shall—

(a) exercise general supervision over the funds of the University and shall advise it as regards its financial policy; and

(b) perform such other financial function as may be assigned to him by the Executive Council or as may be prescribed by the Statutes or the Ordinances.

(7) Subject to the control of the Executive Council, the Finance Officer shall—

(a) hold and manage the property and investments of the University including trust and endowed property;

(b) ensure that the limits fixed by the Executive Council for recurring and non-recurring expenditure for a year are not exceeded and that all moneys are expended on the purpose for which they are granted or allotted;

(c) be responsible for the preparation of annual accounts and the budget of the University and for their presentation to the Executive Council;

(d) keep a constant watch on the state of the cash and bank balances and on the state of investments;

(e) watch the progress of the collection of revenues and advise on the methods of collection employed;

(f) ensure that the registers of buildings, land, furniture and equipment are maintained up to date and that stock-checking is conducted, of equipment and other consumable materials in all offices, Departments, Centres and Specialised Laboratories;

(g) bring to the notice of the Vice-Chancellor any unauthorised expenditure and other financial irregularities and suggest disciplinary action against persons at fault; and

(h) call for, from any office, Department, Centre, Laboratory, College, Institution, Regional Centre or Study Centre established or maintained by the University, any information or returns that he may consider necessary for the performance of his duties.

(8) Any receipt given by the Finance Officer or the person or persons duly authorised in this behalf by the Executive Council for any money payable to University shall be sufficient discharge for payment of such money.

Controller of Examinations.

7. (1) The Controller of Examinations shall be appointed by the Executive Council on the recommendations of a Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(2) The Controller of Examinations shall be appointed for a term of five years and shall be eligible for re-appointment.

(3) The emoluments and other terms and conditions of service of the Controller of Examinations shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Controller of Examinations shall retire on attaining the age of sixty-two years.

(4) When the officer of the Controller of Examinations is vacant or when the Controller of Examinations is, by reason of illness, absence or any other cause, unable to perform the duties of his office, shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) The Controller of Examinations shall arrange for and superintend the examinations of the University in the manner prescribed by the Ordinances.

Librarian.

8. (1) The Librarian shall be appointed by the Executive Council on the recommendations of the Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(2) The Librarian shall exercise such powers and perform such duties as may be assigned to him by the Executive Council.

Constitution and meetings of Court.

9. (1) The Court shall consist of the following members who shall hold office for a period of three years, namely:—

(a) *Ex officio* Members:—

(i) the Chancellor;

(ii) the Vice-Chancellor;

(iii) the Proctor;

(iv) the Deans of Schools;

- (v) the Dean of Students' Welfare;
- (vi) the Finance Officer;
- (vii) one Senior Warden, by rotation;
- (viii) the Librarian of the University;
- (ix) the President, Alumni Association;

(b) other Members:

(i) Heads of Departments or Professors who are members of the Academic and Activity Council;

(ii) one representative from each institution recognised by the university, nominated by the Vice-Chancellor on recommendations of the Head of the Institution;

(iii) not more than four persons from amongst eminent sports scientists, sports academicians and sports administrators to be nominated by the Central Government;

(iv) not more than two persons representing sports industry, to be nominated by the Central Government;

(v) not more than ten persons from amongst eminent sports persons and highly recognised coaches to be nominated by the Central Government;

(c) the Registrar, who shall be the *ex officio* Member Secretary.

(2) An annual meeting of the Court shall be held on a date to be fixed by the Executive Council unless some other date has been fixed by the Court in respect of any year.

(3) At an annual meeting of the Court, a report on the working of the University during the previous year, together with a statement of the receipts and expenditure, the balance-sheet as audited, and financial estimates for the next year shall be presented.

(4) A copy of the statement of receipts and expenditure, the balance-sheet and the financial estimates referred to in clause (2) shall be sent to every member of the Court at least seven days before the date of the annual meeting.

(5) Special meetings of the Court may be convened by the Executive Council or the Vice-Chancellor or if there is no Vice-Chancellor, by the Registrar.

(6) Eleven members of the Court shall form a quorum for a meeting of the Court.

10. Seven members of the Executive Council shall form a quorum for a meeting of the Executive Council.

Quorum for meeting of Executive Council.

11. (1) The Executive Council shall consist of the following members to be nominated by the Central Government who shall hold office for a period of two years, namely:—

Constitution, powers and functions of Executive Council.

(a) *Ex officio* Members:

- (i) the Vice-Chancellor;
- (ii) the Proctor;
- (iii) the Deans of Students' Welfare;
- (iv) the Additional Secretary and Financial Advisor, Ministry of Youth Affairs and Sports;
- (v) the Joint Secretary, Ministry of Youth Affairs and Sports;
- (vi) the Deans of Schools;

(b) Other Members:

(i) three Senior Professors by rotation;

(ii) four persons from amongst sports scientists, sports administrators, eminent sports persons and distinguished coaches.

(2) The Executive Council shall have the power of management and administration of the revenue and property of the University and the conduct of all administrative affairs of the University not otherwise provided for.

(3) Subject to the provision of this Act, the Statutes and the Ordinances, the Executive Council shall, in addition to all other powers vested in it, have the following powers, namely:—

(i) to create teaching and other academic posts including Chairs, to determine the number and emoluments of such posts and to define the duties and conditions of service of Professors, Associate Professors, Assistant Professors and other academic staff;

Provided that no action shall be taken by the Executive Council in respect of the number and qualifications of teachers and other academic staff otherwise than after consideration of the recommendations of the Academic and Activity Council;

(ii) to appoint such Professors, Associate Professors, Assistant Professors and other academic staff including Chair, as may be necessary, on the recommendation of the Selection Committee constituted for the purpose and to fill up temporary vacancies therein;

(iii) to promote interfacial research by making joint appointments of teaching staff in different Schools, Department and Centres;

(iv) to create administrative, ministerial and other necessary posts and to define their duties and conditions of their service and to make appointments thereto in the manner prescribed by the Ordinances;

(v) to grant leave of absence to any officer of the University other than the Chancellor and the Vice-Chancellor, and to make necessary arrangements for the discharge of the functions of such officer during his absence;

(vi) to regulate and enforce discipline among employees in accordance with the Statutes and the Ordinances;

(vii) to manage and regulate the finances, accounts, investments, property, business and all other administrative affairs of the University and for that purpose to appoint such agents as it may think fit;

(viii) to fix limits on the total recurring and the total non-recurring expenditure for a year on the recommendation of the Finance Committee;

(ix) to invest any money belonging to the University, including any unapplied income, in such stocks, funds, share or securities, from time to time, as it may think fit or in the purchase of immovable property in India, with the like powers of varying such investment from time to time;

(x) to transfer or accept transfers of any movable or immovable property on behalf of the University;

(xi) to provide buildings, premises, furniture and apparatus and other means needed for carrying on the work of the University;

(xii) to enter into, vary, carry out and cancel contracts on behalf of the University;

(xiii) to entertain, adjudicate upon, and if thought fit, to redress any grievances of the employees and students of the University who may, for any reason, feel aggrieved;

(xiv) to appoint examiners and moderators and, if necessary, to remove them, and to fix their fees, emoluments and travelling and other allowances, after consulting the Academic and Activity Council;

(xv) to select a common seal for the University and provide for the use of such seal;

(xvi) to make such special arrangements as may be necessary for the residence of women students;

(xvii) to institute fellowships, scholarships, studentships, medals and prizes;

(xviii) to provide for the appointment of Visiting Professors, Emeritus Professors, Consultants and Scholars and determine the terms and conditions of such appointments;

(xix) to enter into partnership with industry and non-Government agencies for the advancement of knowledge and establish a corpus of funds out of the profits of such partnership; and

(xx) to exercise such other powers and perform such other duties as may be conferred or imposed on it by this Act or these Statutes.

12. (1) The members of the Academic and Activity Council shall include sports persons who have achieved distinction in Olympics or world championships.

Members of Academic and Activity Council and quorum for meeting.

(2) Nine members of the Academic and Activity Council shall form quorum for the meeting of the Academic and Activity Council.

13. Subject to the provisions of this Act, the Statutes and the Ordinances, the Academic and Activity Council shall, in addition to all other powers vested in it, have the following powers, namely:—

Powers and functions of Academic and Activity Council.

(a) to exercise general supervision over the academic policies of the University and to give directions regarding methods of instruction, co-ordination of teaching among the Colleges, Institutions, Regional Centres and Study Centres and evaluation of research and improvement of academic standards;

(b) to bring about and promote inter-School co-ordination and to establish or appoint such committees or boards as may be deemed necessary for the purpose;

(c) to consider matters of general academic interest either on its own initiative, or on a reference by a School or the Executive Council, and to take appropriate action thereon;

(d) to frame such regulations and rules consistent with the Statutes and the Ordinances regarding the academic functioning of the University, discipline, residence, admissions, award of fellowships and studentships, fees, concessions, corporate life and attendance.

14. (1) The University shall have such Schools of Studies as may be specified in the Statutes.

Schools of Studies and Departments.

(2) Every School shall have a School Board and the members of the first School Board shall be nominated by the Executive Council for a period of three years.

(3) The composition, powers and functions of a School Board shall be prescribed by the Ordinances.

(4) The conduct of the meetings of a School Board and the quorum required for such meetings shall be prescribed by the Ordinances.

(5) (a) Every School shall consist of such Departments as may be assigned to it by the Ordinances:

Provided that the Executive Council may, on the recommendation of the Academic and Activity Council, establish Centres of Studies to which may be assigned such teachers of the University as the Executive Council may consider necessary.

(b) Each Department shall consist of the following members, namely:—

(i) teachers of the Department;

(ii) persons conducting research in the Department;

(iii) Dean of the School;

(iv) Honorary Professors, if any, attached to the Department; and

(v) such other persons as may be members of the Department in accordance with the provisions of the Ordinances.

Board of
Sports Studies.

15. (1) Each Department shall have a Board of Sports Studies.

(2) The term of office of the Board of Sports Studies and of its members shall be prescribed by the Ordinances.

(3) Subject to the overall control and supervision of the Academic and Activity Council, the functions of a Board of Sports Studies shall be to approve subjects for research for various degrees and other requirements of research degrees and to recommend to the concerned School Board in the manner prescribed by the Ordinances,—

(a) courses of studies and appointment of examiners for courses, but excluding research degrees;

(b) appointment of supervisors for research; and

(c) measures for the improvement of the standard of teaching and research:

Provided that the above functions of a Board of Sports Studies shall, during the period of three years immediately after the commencement of this Act, be performed by the Department.

Finance
Committee.

16. (1) The Finance Committee shall consist of the following members, namely:—

(i) the Vice-Chancellor;

(ii) one person to be nominated by the Court;

(iii) three persons to be nominated by the Executive Council, out of whom at least one shall be a member of the Executive Council; and

(iv) three persons to be nominated by the Central Government.

(2) Five members of the Finance Committee shall form a quorum for a meeting of the Finance Committee.

(3) All the members of the Finance Committee, other than *ex officio* members, shall hold office for a term of three years.

(4) A member of the Finance Committee shall have the right to record a minute of dissent if he does not agree with any decision of the Finance Committee.

(5) The Finance Committee shall meet at least thrice every year to examine the accounts and to scrutinise proposals for expenditure.

(6) All proposals relating to creation of posts, and those items which have not been included in the budget, shall be examined by the Finance Committee before they are considered by the Executive Council.

(7) The annual accounts and the financial estimates of the University prepared by the Finance Officer shall be laid before the Finance Committee for consideration and comments and thereafter submitted to the Executive Council for approval.

(8) The Finance Committee shall recommend limits for the total recurring expenditure and the total non-recurring expenditure for the year, based on the income and resources of the University (which, in the case of productive works, may include the proceeds of loans).

17. (1) There shall be Selection Committees for making recommendations to the Executive Council for appointment to the post of Professor, Associate Professor, Assistant Professor, Registrar, Finance Officer, Controller of Examinations, Librarian and Principals of Colleges, Institutions, Regional Centres and Study Centres established or maintained by the University.

Selection
Committees.

(2) The Selection Committee for appointment to the posts specified in column 1 of the Table below shall consist of the Vice-Chancellor, a nominee of the Central Government and the persons specified in the corresponding entry in column 2 of the said Table:

TABLE

1	2
Professor.	(i) The Dean of the School. (ii) The Head of the Department, if he is a Professor. (iii) Three persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic and Activity Council for their special knowledge of, or interest in, the subject with which the Professor will be concerned.
Associate Professor/ Assistant Professor.	(i) The head of the Department. (ii) One Professor nominated by the Vice-Chancellor. (iii) Two persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic and Activity Council for their special knowledge of, or interest in, the subject with which the Associate Professor or Assistant Professor will be concerned.
Registrar/ Finance Officer/ Controller of Examination.	(i) Two members of the Executive Council nominated by it. (ii) One person not in the service of the University nominated by the Executive Council.
Librarian.	(i) One person not in the service of the University who has special knowledge of the subject of the Library Science or Library Administration nominated by the Executive Council. (ii) One person not in the service of the University nominated by the Executive Council.
Principal of College or Institution maintained by the University.	Three persons not in the service of the University of whom two shall be nominated by the Executive Council and one by the Academic and Activity Council for their special knowledge of, or interest in, a subject in which instruction is being provided by the College or Institution.

Note 1: Where the appointment is being made for an inter-disciplinary project, the head of the project shall be deemed to be the Head of the Department concerned.

Note 2: The Professor to be nominated by the Vice-Chancellor shall be a Professor concerned with the speciality for which the selection is being made and the Vice-Chancellor shall consult the Head of the Department and the Dean of the School before nominating the Professor.

(3) The Vice-Chancellor shall convene and preside at the meeting of the Selection Committee:

Provided that the meeting of the Selection Committee shall be fixed after prior consultation with, and subject to the convenience of the Central Government's nominee and the experts nominated by the Executive Council:

Provided further that the proceedings of the Selection Committee shall not be valid unless,—

(a) where the number of the Central Government's nominee and the persons nominated by the Executive Council is four in all, at least three of them attend the meeting; and

(b) where the number of the Central Government's nominee and the persons nominated by the Executive Council is three in all, at least two of them attend the meeting.

(4) The procedure to be followed by the Selection Committee shall be laid down in the Ordinances.

(5) If the Executive Council is unable to accept the recommendations made by the Selection Committee, it shall record its reasons and submit the case to the Central Government for final orders.

(6) (a) Appointments to temporary posts shall,—

(i) if the temporary vacancy is for duration longer than one academic session, be filled on the advice of the Selection Committee in accordance with the procedure indicated in the foregoing clauses:

Provided that if the Vice-Chancellor is satisfied that in the interests of work it is necessary to fill the vacancy, the appointment may be made on a purely temporary basis on the advice of a local Selection Committee referred to in sub-clause (ii) for a period not exceeding six months;

(ii) if the temporary vacancy is for a period less than a year, be made on the recommendation of a local Selection Committee consisting of the Dean of the School concerned, the Head of the Department and a nominee of the Vice-Chancellor:

Provided that if the same person holds the offices of the Dean and the Head of the Department, the Selection Committee may contain two nominees of the Vice-Chancellor:

Provided further that in the case of sudden casual vacancies of teaching posts caused by death or any other reason, the Dean may, in consultation with the Head of the Department concerned, make a temporary appointment for a month and report to the Vice-Chancellor and the Registrar about such appointment.

(b) No teacher appointed temporarily shall, if he is not recommended by a regular Selection Committee for appointment under the Statutes, be continued in service on such temporary employment, unless he is subsequently selected by a local Selection Committee or a regular Selection Committee, for a temporary or permanent appointment, as the case may be.

Special mode
of
appointment.

18. (1) Notwithstanding anything contained in Statute 17, the Executive Council may invite a person of high academic distinction and professional attainments to accept a post of Professor or Associate Professor or any other equivalent academic post in the University on such terms and conditions as it deems fit and on the person agreeing to do so appoint him to the post:

Provided that the Executive Council may also create supernumerary posts for a specified period for appointment of such persons:

Provided further that the number of supernumerary posts so created should not exceed five per cent. of the total posts in the University.

(2) The Executive Council may appoint a teacher or any other academic staff working in any other University or organisation for undertaking a joint project in accordance with the manner laid down in the Ordinances.

19. The Executive Council may appoint a person selected in accordance with the procedure laid down in Statute 17 for a fixed tenure on such terms and conditions as it deems fit.

Appointment for fixed tenure.

20. (1) An authority of the University may appoint as many standing or special committees as it may deem fit, and may appoint to such committees persons who are not members of such authority.

Committees.

(2) A committee appointed under clause (1) may deal with any subject delegated to it subject to subsequent confirmation by the authority appointing it.

21. (1) All the teachers and other academic staff of the University shall, in the absence of any agreement to the contrary, be governed by the terms and conditions of service and code of conduct as are specified in the Statutes, the Ordinances and the Regulations.

Terms and conditions of service and code of conduct of teachers, etc.

(2) The emoluments of members of the academic staff shall be such as may be prescribed by the Ordinances.

(3) Every teacher and member of the academic staff of the University shall be appointed on a written contract, the form of which shall be prescribed by the Ordinances.

(4) A copy of every contract referred to in clause (3) shall be deposited with the Registrar.

22. (1) All the employees of the University, other than the teachers and other academic staff shall, in the absence of any contract to the contrary, be governed by the terms and conditions of service and code of conduct as are specified in the Statutes, the Ordinances and the Regulations.

Terms and conditions of service and code of conduct of other employees.

(2) The manner of appointment and emoluments of employees, other than the teachers and other academic staff, shall be such as may be prescribed by the Ordinances.

23. (1) Whenever, in accordance with the Statutes, any person is to hold an office or be a member of an authority of the University by rotation according to seniority, such seniority shall be determined according to the length of continuous service of such person in his grade and in accordance with such other principles as the Executive Council may, from time to time, prescribe.

Seniority list.

(2) It shall be the duty of the Registrar to prepare and maintain in respect of each class of persons to whom the provisions of these Statutes apply, a complete and up-to-date seniority list in accordance with the provisions of clause (1).

(3) If two or more persons have equal length of continuous service in a particular grade or the relative seniority of any person or persons is otherwise in doubt, the Registrar may, on his own motion and shall, at the request of any such person, submit the matter to the Executive Council whose decision thereon shall be final.

24. (1) Where there is an allegation of misconduct against a teacher, a member of the academic staff or other employee of the University, the Vice-Chancellor, in the case of the teacher or a member of the academic staff, and the authority competent to appoint (hereinafter referred to as the appointing authority) in the case of other employee may, by order in

Removal of employees of University.

writing, place such teacher, member of the academic staff or other employee, as the case may be, under suspension and shall forthwith report to the Executive Council the circumstances in which the order was made:

Provided that the Executive Council may, if it is of the opinion, that the circumstances of the case do not warrant the suspension of the teacher or a member of the academic staff, revoke such order.

(2) Notwithstanding anything contained in the terms of the contract of appointment or of any other terms and condition of service of the employees, the Executive Council in respect of teachers and other academic staff, and the appointing authority in respect of other employees, shall have the power to remove a teacher or a member of the academic staff or other employee, as the case may be, on grounds of misconduct.

(3) Save as aforesaid, the Executive Council, or as the case may be, the appointing authority, shall not be entitled to remove any teacher, member of the academic staff or other employee except for a good cause and after giving three months' notice or on payment of three months' salary in lieu thereof.

(4) No teacher, member of the academic staff or other employee shall be removed under clause (2) or clause (3) unless he has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(5) The removal of a teacher, member of the academic staff or other employee shall take effect from the date on which the order of removal is made:

Provided that where the teacher, member of the academic staff or other employee is under suspension at the time of his removal, such removal shall take effect from the date on which he was placed under suspension.

(6) Notwithstanding anything contained in the foregoing provisions of the Statute, a teacher, member of the academic staff or other employee may resign,—

(a) if he is a permanent employee, only after giving three months' notice in writing to the Executive Council or the appointing authority, as the case may be, or by paying three months' salary in lieu thereof;

(b) if he is not a permanent employee, only after giving one month's notice in writing to the Executive Council or, as the case may be, the appointing authority or by paying one month's salary in lieu thereof:

Provided that such resignation shall take effect only on the date on which the resignation is accepted by the Executive Council or the appointing authority, as the case may be.

Honorary
degrees.

25. (1) The Executive Council may, on the recommendation of the Academic and Activity Council and by a resolution passed by a majority of not less than two-thirds of the members present and voting, make proposals to the Central Government for the conferment of honorary degrees:

Provided that in case of emergency, the Executive Council may, on its own motion, make such proposals.

(2) The Executive Council may, by a resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw, with the previous sanction of the Central Government, any honorary degree conferred by the University.

Withdrawal of
degrees, etc.

26. The Executive Council may, by a resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw a degree or academic distinction conferred on, or any certificate or diploma granted to, any person by the University for good and sufficient cause:

Provided that no such resolution shall be passed until a notice in writing has been given to that person calling upon him to show cause within such time as may be specified in the notice as to why such a resolution should not be passed and until his objections, if

any, and any evidence he may produce in support of them, have been considered by the Executive Council.

27. (1) All powers relating to the maintenance of discipline and disciplinary action in relation to the students of the University shall vest in Vice-Chancellor.

Maintenance of discipline amongst students of University.

(2) There shall be Proctor of the University to assist the Vice-Chancellor in the exercise of the powers referred to in clause (1), who shall be appointed by the Executive Council from amongst the Professors and Associate Professors in the manner prescribed by the Ordinances.

(3) The Vice-Chancellor may delegate all or any of the powers referred to in clause (1), as he deems proper, to the Proctor and to such other officers as he may specify in this behalf.

(4) Without prejudice to the generality of his powers relating to the maintenance of discipline and taking such action, as may seem to him appropriate for the maintenance of discipline, the Vice-Chancellor may, in exercise of such powers, by order, direct that any student or students be expelled or rusticated, for a specified period, or be not admitted to a course or courses of study in a College, Institution or Regional Centre or a Department or a School of the University for a stated period, or be punished with fine for an amount to be specified in the order, or be debarred from taking an examination or examinations conducted by the University, College, Institution or Regional Centre or Department or a School for one or more years, or that the results of the student or students concerned in the examination or examinations in which he or they have appeared be withheld or cancelled.

(5) The Principals of Colleges, Institutions, Deans of Schools of Studies and Heads of teaching Departments in the University shall have the authority to exercise all such disciplinary powers over the students in their respective Colleges, Institutions, Schools and teaching Departments in the University, as may be necessary for the proper conduct of such Colleges, Institution, Schools and teaching Departments.

(6) Without prejudice to the powers of the Vice-Chancellor and the Principals and other persons specified in clause (5), detailed rules of discipline and proper conduct shall be made by the University and the Principals of Colleges, Institutions, Deans of Schools of Studies and Heads of teaching Departments in the University may also make such supplementary rules as they deem necessary for the purposes stated therein.

(7) At the time of admission, every student shall be required to sign a declaration to the effect that he submits himself to the disciplinary jurisdiction of the Vice-Chancellor and other authorities of the University.

28. Convocations of the University for the conferring of degrees or for other purposes shall be held in such manner as may be prescribed by the Ordinances.

Convocations.

29. Where no provision is made for Chairman to preside over a meeting of any authority of the University or any Committee of such authority or when the Chairman so provided for is absent, the members present shall elect one from among themselves to preside at such meeting.

Acting Chairman of meetings.

30. Any member, other than an *ex officio* member of the Court, the Executive Council, the Academic and Activity Council or any other authority of the University or any Committee of such authority may resign by letter addressed to the Registrar and the resignation shall take effect as soon as such letter is received by the Registrar.

Resignation.

31. (1) A person shall be disqualified for being chosen as, and for being, a member of any of the authorities, or for being appointed as, and for being, an officer, of the University if—

Disqualification.

(i) he is of unsound mind;

(ii) he is an undischarged insolvent; or

(iii) he has been convicted by a court of law of an offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months.

(2) If any question arises as to whether a person is or had been subjected to any of the disqualifications mentioned in sub-clause (i), the question shall be referred to the Central Government and its decision shall be final and no suit or other proceeding shall lie in any civil court against such decision.

Residence conditions for membership and office.

32. Notwithstanding anything contained in the Statutes, a person who is not ordinarily resident in India shall not be eligible to be an officer of the University or a member of any authority of the University.

Membership of authorities by virtue of membership of other bodies.

33. Notwithstanding anything contained in the Statutes, a person who holds any post in the University or is a member of any authority or body of the University in his capacity as a member of a particular authority or body or as the holder of a particular appointment shall hold such office or membership only for so long as he continues to be a member of that particular authority or body or the holder of that particular appointment, as the case may be.

Alumni Association.

34. (1) There shall be an Alumni Association for the University.

(2) The subscription for membership of the Alumni Association shall be prescribed by the Ordinances.

(3) No member of the Alumni Association shall be entitled to vote or stand for election unless he has been a member of the Association for at least one year prior to the date of election and is a degree holder of the University of at least five years standing:

Provided that the condition relating to the completion of one year's membership shall not apply in the case of the first election.

Students Council.

35. (1) There shall be constituted in the University, a Students' Council for every academic year, consisting of,—

(i) the Dean of Students' Welfare who shall be the Chairman of the Students' Council;

(ii) twenty students to be nominated by the Academic and Activity Council on the basis of merit in studies, sports and extra-curricular activities; and

(iii) twenty students to be elected by the students as their representatives:

Provided that any student of the University shall have the right to bring up any matter concerning the University before the Students' Council, if so permitted by the Chairman, and he shall have the right to participate in the discussions at any meeting when the matter is taken up for consideration.

(2) The functions of the Students' Council shall be to make suggestions to the appropriate authorities of the University in regard to the programmes of studies, students' welfare and other matters of importance, in regard to the working of the University in general and such suggestions shall be made on the basis of consensus of opinion.

(3) The Students' Council shall meet at least twice in every academic year and the first meeting of the Council be held in the beginning of the academic session.

Ordinances how to be made.

36. (1) The first Ordinances made under sub-section (2) of section 26 may be amended or repealed at any time by the Executive Council in the manner specified in the following clauses.

(2) No Ordinances in respect of the matters enumerated in sub-section (1) of section 26 of this Act shall be made by the Executive Council unless a draft of such Ordinances has been proposed by the Academic and Activity Council.

(3) The Executive Council shall not have power to amend any draft of any Ordinances proposed by the Academic and Activity Council under clause (2), but may reject the proposal or return the draft to the Academic and Activity Council for re-consideration, either in whole or in part, together with any amendment which the Executive Council may suggest.

(4) Where the Executive Council has rejected or returned the draft of an Ordinance proposed by the Academic and Activity Council, the Academic and Activity Council may consider the question afresh and in case the original draft is reaffirmed by a majority of not less than two-thirds of the members present and voting and more than half of the total number of members of the Academic and Activity Council, the draft may be sent back to the Executive Council which shall either adopt it or refer it to the Central Government whose decision shall be final.

(5) Every Ordinance made by the Executive Council shall come into effect immediately.

(6) Every Ordinance made by the Executive Council shall be submitted to the Central Government within two weeks from the date of its adoption.

(7) The Central Government shall have the power to direct the University to suspend the operation of any Ordinance.

(8) The Central Government shall inform the Executive Council about its objection to the Ordinances referred to in clause (7) and may, after receiving the comments of the University, either withdraw the order suspending the Ordinances or disallow the Ordinances, and its decision shall be final.

37. (1) The authorities of the University may make Regulations consistent with this Act, the Statutes and the Ordinances for the following matters, namely:—

Regulations.

(i) laying down the procedure to be observed at their meeting and the number of members required to form a quorum;

(ii) providing for all matters which are required by this Act, the Statutes or the Ordinances, to be prescribed by Regulations; and

(iii) providing for all other matters solely concerning such authorities or committees appointed by them and not provided for by this Act, the Statutes or the Ordinances.

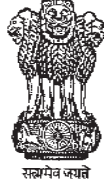
(2) Every authority of the University shall make Regulations providing for the giving of notice to the members of such authority of the dates of meeting and of the business to be considered at meetings and for the keeping of a record of the proceedings of meetings.

(3) The Executive Council may direct the amendment in such manner as it may specify of any Regulation made under the Statutes or the annulment of any such Regulation.

38. Subject to the provisions of this Act and the Statutes, any officer or authority of the University may delegate his or its powers to any other officer or authority or person under his or its respective control and subject to the condition that overall responsibility for the exercise of the powers so delegated shall continue to vest in the officer or authority delegating such powers.

Delegation of powers.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 17th August, 2018/Shravana 26, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 17th August, 2018, and is hereby published for general information:—

THE INSOLVENCY AND BANKRUPTCY CODE (SECOND AMENDMENT) ACT, 2018

No. 26 OF 2018

[17th August, 2018.]

An Act further to amend the Insolvency and Bankruptcy Code, 2016.

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

1. (1) This Act may be called the Insolvency and Bankruptcy Code (Second Amendment) Act, 2018.

Short title and commencement.

(2) It shall be deemed to have come into force on the 6th day of June, 2018.

2. In the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the principal Act), in section 3, in clause (12), for the word "repaid", the word "paid" shall be substituted.

Amendment of section 3.

Amendment
of section 5.

3. In section 5 of the principal Act,—

(i) after clause (5), the following clause shall be inserted, namely:—

'(5A) "corporate guarantor" means a corporate person who is the surety in a contract of guarantee to a corporate debtor;';

(ii) in clause (8), in sub-clause (f), the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this sub-clause,—

(i) any amount raised from an allottee under a real estate project shall be deemed to be an amount having the commercial effect of a borrowing; and

(ii) the expressions, "allottee" and "real estate project" shall have the meanings respectively assigned to them in clauses (d) and (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016;'

16 of 2016.

(iii) in clause (12), the following proviso shall be inserted, namely:—

"Provided that where the interim resolution professional is not appointed in the order admitting application under section 7, 9 or section 10, the insolvency commencement date shall be the date on which such interim resolution professional is appointed by the Adjudicating Authority;";

(iv) in clause (21), for the word "repayment", the word "payment" shall be substituted;

(v) after clause (24), the following clause shall be inserted, namely:—

'(24A) "related party", in relation to an individual, means—

(a) a person who is a relative of the individual or a relative of the spouse of the individual;

(b) a partner of a limited liability partnership, or a limited liability partnership or a partnership firm, in which the individual is a partner;

(c) a person who is a trustee of a trust in which the beneficiary of the trust includes the individual, or the terms of the trust confers a power on the trustee which may be exercised for the benefit of the individual;

(d) a private company in which the individual is a director and holds along with his relatives, more than two per cent. of its share capital;

(e) a public company in which the individual is a director and holds along with relatives, more than two per cent. of its paid-up share capital;

(f) a body corporate whose board of directors, managing director or manager, in the ordinary course of business, acts on the advice, directions or instructions of the individual;

(g) a limited liability partnership or a partnership firm whose partners or employees in the ordinary course of business, act on the advice, directions or instructions of the individual;

(h) a person on whose advice, directions or instructions, the individual is accustomed to act;

(i) a company, where the individual or the individual along with its related party, own more than fifty per cent. of the share capital of the company or controls the appointment of the board of directors of the company.

Explanation.—For the purposes of this clause,—

(a) "relative", with reference to any person, means anyone who is related to another, in the following manner, namely:—

- (i) members of a Hindu Undivided Family,
- (ii) husband,
- (iii) wife,
- (iv) father,
- (v) mother,
- (vi) son,
- (vii) daughter,
- (viii) son's daughter and son,
- (ix) daughter's daughter and son,
- (x) grandson's daughter and son,
- (xi) granddaughter's daughter and son,
- (xii) brother,
- (xiii) sister,
- (xiv) brother's son and daughter,
- (xv) sister's son and daughter,
- (xvi) father's father and mother,
- (xvii) mother's father and mother,
- (xviii) father's brother and sister,
- (xix) mother's brother and sister, and

(b) wherever the relation is that of a son, daughter, sister or brother, their spouses shall also be included;'

4. In section 7 of the principal Act, in sub-section (1), for the words "other financial creditors", the words "other financial creditors, or any other person on behalf of the financial creditor, as may be notified by the Central Government," shall be substituted.

Amendment
of section 7.

5. In section 8 of the principal Act,—

Amendment
of section 8.

(a) in sub-section (2),—

(i) in clause (a), for the words "if any, and", the words "if any, or" shall be substituted;

(ii) in clause (b), for the word "repayment", the word "payment" shall be substituted;

(b) in the *Explanation*, for the word "repayment", the word "payment" shall be substituted.

Amendment
of section 9.

6. In section 9 of the principal Act,—

(a) in sub-section (3),—

(i) in clause (c), for the words "by the corporate debtor; and", the words "by the corporate debtor, if available;" shall be substituted;

(ii) for clause (d), the following clauses shall be substituted, namely:—

"(d) a copy of any record with information utility confirming that there is no payment of an unpaid operational debt by the corporate debtor, if available; and

(e) any other proof confirming that there is no payment of an unpaid operational debt by the corporate debtor or such other information, as may be prescribed.";

(b) in sub-section (5),—

(A) in clause (i), in sub-clause (b), for the word "repayment", the word "payment" shall be substituted;

(B) in clause (ii), in sub-clause (b), for the word "repayment", the word "payment" shall be substituted.

Amendment
of section 10.

7. In section 10 of the principal Act,—

(a) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The corporate applicant shall, along with the application, furnish—

(a) the information relating to its books of account and such other documents for such period as may be specified;

(b) the information relating to the resolution professional proposed to be appointed as an interim resolution professional; and

(c) the special resolution passed by shareholders of the corporate debtor or the resolution passed by at least three-fourth of the total number of partners of the corporate debtor, as the case may be, approving filing of the application.";

(b) in sub-section (4),—

(i) in clause (a), after the words "if it is complete", the words "and no disciplinary proceeding is pending against the proposed resolution professional" shall be inserted;

(ii) in clause (b), after the words "if it is incomplete", the words "or any disciplinary proceeding is pending against the proposed resolution professional" shall be inserted.

Amendment
of section 12.

8. In section 12 of the principal Act, in sub-section (2), for the word "seventy-five", the word "sixty-six" shall be substituted.

Insertion of new
section 12A.

9. After section 12 of the principal Act, the following section shall be inserted, namely:—

Withdrawal of
application
admitted
under section
7, 9 or 10.

"12A. The Adjudicating Authority may allow the withdrawal of application admitted under section 7 or section 9 or section 10, on an application made by the applicant with the approval of ninety per cent. voting share of the committee of creditors, in such manner as may be specified."

- 10.** In section 14 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—
- "(3) The provisions of sub-section (1) shall not apply to—
- (a) such transaction as may be notified by the Central Government in consultation with any financial regulator;
- (b) a surety in a contract of guarantee to a corporate debtor."
- Amendment of section 14.
- 11.** In section 15 of the principal Act, in sub-section (1), in clause (c), for the word "claims", the words "claims, as may be specified" shall be substituted.
- Amendment of section 15.
- 12.** In section 16 of the principal Act, in sub-section (5), for the words "shall not exceed thirty days from date of his appointment", the words and figures "shall continue till the date of appointment of the resolution professional under section 22" shall be substituted.
- Amendment of section 16.
- 13.** In section 17 of the principal Act, in sub-section (2),—
- (i) in clause (d), for the words "may be specified.", the words "may be specified; and" shall be substituted;
- (ii) after clause (d), the following clause shall be inserted, namely:—
- "(e) be responsible for complying with the requirements under any law for the time being in force on behalf of the corporate debtor."
- Amendment of section 17.
- 14.** In section 18 of the principal Act, in the *Explanation*, for the word "sub-section", the word "section" shall be substituted.
- Amendment of section 18.
- 15.** In section 21 of the principal Act,—
- (i) in sub-section (2),—
- (a) in the proviso, for the words "related party to whom a corporate debtor owes a financial debt", the words, brackets, figures and letter "financial creditor or the authorised representative of the financial creditor referred to in sub-section (6) or sub-section (6A) or sub-section (5) of section 24, if it is a related party of the corporate debtor," shall be substituted;
- (b) after the proviso, the following proviso shall be inserted, namely:—
- "Provided further that the first proviso shall not apply to a financial creditor, regulated by a financial sector regulator, if it is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.";
- (ii) in sub-section (3), for the word "Where", the words, brackets, figures and letter "Subject to sub-sections (6) and (6A), where" shall be substituted;
- (iii) in sub-section (6), in the opening portion, the words "or issued as securities" shall be omitted;
- (iv) after sub-section (6), the following sub-sections shall be inserted, namely:—
- "(6A) Where a financial debt—
- (a) is in the form of securities or deposits and the terms of the financial debt provide for appointment of a trustee or agent to act as authorised representative for all the financial creditors, such trustee or agent shall act on behalf of such financial creditors;
- Amendment of section 21.

(b) is owed to a class of creditors exceeding the number as may be specified, other than the creditors covered under clause (a) or sub-section (6), the interim resolution professional shall make an application to the Adjudicating Authority along with the list of all financial creditors, containing the name of an insolvency professional, other than the interim resolution professional, to act as their authorised representative who shall be appointed by the Adjudicating Authority prior to the first meeting of the committee of creditors;

(c) is represented by a guardian, executor or administrator, such person shall act as authorised representative on behalf of such financial creditors,

and such authorised representative under clause (a) or clause (b) or clause (c) shall attend the meetings of the committee of creditors, and vote on behalf of each financial creditor to the extent of his voting share.

(6B) The remuneration payable to the authorised representative—

(i) under clauses (a) and (c) of sub-section (6A), if any, shall be as per the terms of the financial debt or the relevant documentation; and

(ii) under clause (b) of sub-section (6A) shall be as specified which shall form part of the insolvency resolution process costs.";

(v) for sub-sections (7) and (8), the following sub-sections shall be substituted, namely:—

"(7) The Board may specify the manner of voting and the determining of the voting share in respect of financial debts covered under sub-sections (6) and (6A).

(8) Save as otherwise provided in this Code, all decisions of the committee of creditors shall be taken by a vote of not less than fifty-one per cent. of voting share of the financial creditors:

Provided that where a corporate debtor does not have any financial creditors, the committee of creditors shall be constituted and shall comprise of such persons to exercise such functions in such manner as may be specified."

Amendment of section 22.

16. In section 22 of the principal Act,—

(a) in sub-section (2), for the word, "seventy-five", the word "sixty-six" shall be substituted;

(b) in sub-section (3),—

(i) in clause (a), after the words "resolution professional", the words "subject to a written consent from the interim resolution professional in the specified form" shall be inserted;

(ii) in clause (b), after the words "appointment of the proposed resolution professional", the words "along with a written consent from the proposed resolution professional in the specified form" shall be inserted.

Amendment of section 23.

17. In section 23 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:—

"Provided that the resolution professional shall, if the resolution plan under sub-section (6) of section 30 has been submitted, continue to manage the

operations of the corporate debtor after the expiry of the corporate insolvency resolution process period until an order is passed by the Adjudicating Authority under section 31."

18. In section 24 of the principal Act,—

(i) in sub-section (3), in clause (a), for the words "Committee of creditors", the words, brackets, figures and letter "committee of creditors, including the authorised representatives referred to in sub-sections (6) and (6A) of section 21 and sub-section (5)" shall be substituted;

(ii) in sub-section (5), for the words "Any creditor", the words, brackets, figures and letters "Subject to sub-sections (6), (6A) and (6B) of section 21, any creditor" shall be substituted.

Amendment
of section 24.

19. After section 25 of the principal Act, the following section shall be inserted, namely:—

'25A. (1) The authorised representative under sub-section (6) or sub-section (6A) of section 21 or sub-section (5) of section 24 shall have the right to participate and vote in meetings of the committee of creditors on behalf of the financial creditor he represents in accordance with the prior voting instructions of such creditors obtained through physical or electronic means.

(2) It shall be the duty of the authorised representative to circulate the agenda and minutes of the meeting of the committee of creditors to the financial creditor he represents.

(3) The authorised representative shall not act against the interest of the financial creditor he represents and shall always act in accordance with their prior instructions:

Provided that if the authorised representative represents several financial creditors, then he shall cast his vote in respect of each financial creditor in accordance with instructions received from each financial creditor, to the extent of his voting share:

Provided further that if any financial creditor does not give prior instructions through physical or electronic means, the authorised representative shall abstain from voting on behalf of such creditor.

(4) The authorised representative shall file with the committee of creditors any instructions received by way of physical or electronic means, from the financial creditor he represents, for voting in accordance therewith, to ensure that the appropriate voting instructions of the financial creditor he represents is correctly recorded by the interim resolution professional or resolution professional, as the case may be.

Explanation.—For the purposes of this section, the "electronic means" shall be such as may be specified.'

Insertion of
new section
25A.
Rights and
duties of
authorised
representative
of financial
creditors.

20. In section 27 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form."

Amendment
of section 27.

21. In section 28 of the principal Act, in sub-section (3), for the word, "seventy-five", the word "sixty-six" shall be substituted.

Amendment
of section 28.

Amendment
of section
29A.

22. In section 29A of the principal Act,—

(i) in clause (c),—

(A) for the words "has an account," the words "at the time of submission of the resolution plan has an account," shall be substituted;

(B) after the words and figures "the Banking Regulation Act, 1949", the words "or the guidelines of a financial sector regulator issued under any other law for the time being in force," shall be inserted;

(C) after the proviso, the following shall be inserted, namely:—

'Provided further that nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.

Explanation I.—For the purposes of this proviso, the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.

Explanation II.—For the purposes of this clause, where a resolution applicant has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset and such account was acquired pursuant to a prior resolution plan approved under this Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under this Code;';

(ii) for clause (d), the following clause shall be substituted, namely:—

"(d) has been convicted for any offence punishable with imprisonment—

(i) for two years or more under any Act specified under the Twelfth Schedule; or

(ii) for seven years or more under any other law for the time being in force:

Provided that this clause shall not apply to a person after the expiry of a period of two years from the date of his release from imprisonment:

Provided further that this clause shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I*;"

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

"Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I*;"

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

"Provided that this clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under this Code or pursuant to a scheme or

10 of 1949.

plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction;";

(v) in clause (h),—

(A) for the words "an enforceable guarantee", the words "a guarantee" shall be substituted;

(B) after the words "under this Code", the words "and such guarantee has been invoked by the creditor and remains unpaid in full or part" shall be inserted;

(vi) in clause (i), for the words "has been", the word "is" shall be substituted;

(vii) the *Explanation* occurring after clause (j) shall be numbered as *Explanation I*, and in *Explanation I* as so numbered, for the proviso, the following provisos shall be substituted, namely:—

'Provided that nothing in clause (iii) of *Explanation I* shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor:

Provided further that the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date;'

(viii) after *Explanation I* as so numbered, the following *Explanation* shall be inserted, namely:—

Explanation II.—For the purposes of this section, "financial entity" shall mean the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:—

(a) a scheduled bank;

(b) any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International Organisation of Securities Commissions Multilateral Memorandum of Understanding;

(c) any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999;

(d) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

(e) an Alternate Investment Fund registered with the Securities and Exchange Board of India;

(f) such categories of persons as may be notified by the Central Government.'

42 of 1999.

54 of 2002.

Amendment
of section 30.

23. In section 30 of the principal Act,—

(i) in sub-section (1), after the words "resolution plan", the words, figures and letter "along with an affidavit stating that he is eligible under section 29A" shall be inserted;

(ii) in sub-section (2),—

(A) in clauses (a) and (b), for the word "repayment" at both the places where it occurs, the word "payment" shall be substituted;

(B) after clause (f), the following *Explanation* shall be inserted, namely:—

"Explanation.—For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013 or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law.";

18 of 2013.

(iii) in sub-section (4),—

(a) for the word "seventy-five", the word "sixty-six" shall be substituted;

(b) after the third proviso, the following proviso shall be inserted, namely:—

"Provided also that the eligibility criteria in section 29A as amended by the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018 shall apply to the resolution applicant who has not submitted resolution plan as on the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018.".

ord. 6 of 2018.

Amendment
of section 31.

24. In section 31 of the principal Act,—

(a) in sub-section (1), the following proviso shall be inserted, namely:—

"Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.";

(b) after sub-section (3), the following sub-section shall be inserted namely:—

"(4) The resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later:

Provided that where the resolution plan contains a provision for combination, as referred to in section 5 of the Competition Act, 2002, the resolution applicant shall obtain the approval of the Competition Commission of India under that Act prior to the approval of such resolution plan by the committee of creditors."

12 of 2003.

Amendment
of section 33.

25. In section 33 of the principal Act, in sub-section (2), after the words "decision of the committee of creditors", the words "approved by not less than sixty-six per cent. of the voting share" shall be inserted.

- 26.** In section 34 of the principal Act,—
- (a) in sub-section (1), for the words and figures "Chapter II shall", the words and figures "Chapter II shall, subject to submission of a written consent by the resolution professional to the Adjudicatory Authority in specified form," shall be substituted;
- (b) in sub-section (4),—
- (i) in clause (b), for the words "in writing", the words "in writing; or" shall be substituted;
- (ii) after clause (b), the following clause shall be inserted, namely:—
- "(c) the resolution professional fails to submit written consent under sub-section (1).";
- (c) in sub-section (5), for the word, brackets and letter "clause (a)", the words, brackets and letters "clauses (a) and (c)" shall be substituted;
- (d) in sub-section (6), after the words "another insolvency professional", the words "along with written consent from the insolvency professional in the specified form," shall be inserted.
- 27.** In section 42 of the principal Act, after the words "of the liquidator", the words "accepting or" shall be inserted.
- 28.** In section 45 of the principal Act, in sub-section (1), the words and figures "of section 43" shall be omitted.
- 29.** In section 60 of the principal Act,—
- (a) in sub-section (2), for the words "bankruptcy of a personal guarantor of such corporate debtor", the words "liquidation or bankruptcy of a corporate guarantor or personal guarantor, as the case may be, of such corporate debtor" shall be substituted;
- (b) in sub-section (3), for the words "bankruptcy proceeding of a personal guarantor of the corporate debtor", the words "liquidation or bankruptcy proceeding of a corporate guarantor or personal guarantor, as the case may be, of the corporate debtor" shall be substituted.
- 30.** In section 69 of the principal Act, for the words "On or after the insolvency commencement date, if", the word "If" shall be substituted.
- 31.** In section 76 of the principal Act,—
- (a) in the marginal heading, for the word "repayment", the word "payment" shall be substituted;
- (b) in clause (a), for the word "repayment", the word "payment" shall be substituted.
- 32.** In section 196 of the principal Act, in sub-section (1),—
- (i) after clause (a), the following clause shall be inserted namely:—
- "(aa) promote the development of, and regulate, the working and practices of, insolvency professionals, insolvency professional agencies and information utilities and other institutions, in furtherance of the purposes of this Code;";
- (ii) in clause (c), for the words "for the registration", the words "for carrying out the purposes of this Code, including fee for registration and renewal" shall be substituted.

Amendment
of section 34.

Amendment
of section 42.

Amendment
of section 45.

Amendment
of section 60.

Amendment
of section 69.

Amendment
of section 76.

Amendment
of section
196.

Amendment
of section
231.

33. In section 231 of the principal Act, for the words "Adjudicating Authority" at both the places where they occur, the words "Adjudicating Authority or the Board" shall be substituted.

Insertion of
new section
238A.

34. After section 238 of the principal Act, the following section shall be inserted, namely:—

Limitation.

"238A. The provisions of the Limitation Act, 1963 shall, as far as may be, apply to the proceedings or appeals before the Adjudicating Authority, the National Company Law Appellate Tribunal, the Debt Recovery Tribunal or the Debt Recovery Appellate Tribunal, as the case may be."

36 of 1963.

Amendment
of section
239.

35. In section 239 of the principal Act, in sub-section (2), after clause (e), the following clause shall be inserted, namely:—

"(ea) other proof confirming that there is no payment of an unpaid operational debt by the corporate debtor or such other information under clause (e) of sub-section (3) of section 9;"

Amendment
of section
240.

36. In section 240 of the principal Act, in sub-section (2),—

(i) clause (g) shall be omitted;

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

"(ja) the last date for submission of claims under clause (c) of sub-section (1) of section 15;"

(iii) after clause (n), the following clauses shall be inserted, namely:—

"(na) the number of creditors within a class of creditors under clause (b) of sub-section (6A) of section 21;

(nb) the remuneration payable to authorised representative under clause (ii) of the proviso to sub-section (6B) of section 21;

(nc) the manner of voting and determining the voting share in respect of financial debts under sub-section (7) of section 21;"

Insertion of
new section
240A.

37. After section 240 of the principal Act, the following section shall be inserted, namely:—

Application
of this Code
to micro,
small and
medium
enterprises.

'240A. (1) Notwithstanding anything to the contrary contained in this Code, the provisions of clauses (c) and (h) of section 29A shall not apply to the resolution applicant in respect of corporate insolvency resolution process of any micro, small and medium enterprises.

(2) Subject to sub-section (1), the Central Government may, in the public interest, by notification, direct that any of the provisions of this Code shall—

(a) not apply to micro, small and medium enterprises; or

(b) apply to micro, small and medium enterprises, with such modifications as may be specified in the notification.

(3) A draft of every notification proposed to be issued under sub-section (2), shall be laid 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.

(4) If both Houses agree in disapproving the issue of notification or both Houses agree in making any modification in the notification, the notification shall not be issued or shall be issued only in such modified form as may be agreed upon by both the Houses, as the case may be.

(5) The period of thirty days referred to in sub-section (3) shall not include any period during which the House referred to in sub-section (4) is prorogued or adjourned for more than four consecutive days.

(6) Every notification issued under this section shall be laid, as soon as may be after it is issued, before each House of Parliament.

Explanation.—For the purposes of this section, the expression "micro, small and medium enterprises" means any class or classes of enterprises classified as such under sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006.'

27 of 2006.

38. After the Eleventh Schedule to the principal Act, the following Schedule shall be inserted, namely:—

Insertion of
new Schedule.

"THE TWELFTH SCHEDULE

[See clause (d) of section 29A]

ACTS FOR THE PURPOSES OF CLAUSE (d) OF SECTION 29A

- (1) The Foreign Trade (Development and Regulation) Act, 1922 (22 of 1922);
- (2) The Reserve Bank of India Act, 1934 (2 of 1934);
- (3) The Central Excise Act, 1944 (1 of 1944);
- (4) The Prevention of Food Adulteration Act, 1954 (37 of 1954);
- (5) The Essential Commodities Act, 1955 (10 of 1955);
- (6) The Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- (7) The Income-tax Act, 1961 (43 of 1961);
- (8) The Customs Act, 1962 (52 of 1962);
- (9) The Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974);
- (10) The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974);
- (11) The Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981);
- (12) The Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986);
- (13) The Environment (Protection) Act, 1986 (29 of 1986);
- (14) The Prohibition of Benami Property Transactions Act, 1988 (45 of 1988);
- (15) The Prevention of Corruption Act, 1988 (49 of 1988);
- (16) The Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (17) The Foreign Exchange Management Act, 1999 (42 of 1999);
- (18) The Competition Act, 2002 (12 of 2003);
- (19) The Prevention of Money-laundering Act, 2002 (15 of 2003);
- (20) The Limited Liability Partnership Act, 2008 (6 of 2009);
- (21) The Foreign Contribution (Regulation) Act, 2010 (42 of 2010);
- (22) The Companies Act, 2013 (18 of 2013) or any previous company law;

(23) The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (22 of 2015);

(24) The Insolvency and Bankruptcy Code, 2016 (31 of 2016);

(25) The Central Goods and Services Tax Act, 2017 (12 of 2017) and respective State Acts imposing State goods and services tax;

(26) such other Acts as may be notified by the Central Government.

Every notification issued under this Schedule shall be laid, as soon as may be after it is issued, before each House of Parliament."

Amendment
of section
434 of Act 18
of 2013.

39. In section 434 of the Companies Act, 2013, [as substituted by paragraph 34 of the Eleventh Schedule to the Insolvency and Bankruptcy Code, 2016], in sub-section (1), in clause (c), after the proviso, the following proviso shall be inserted, namely:—

"Provided further that any party or parties to any proceedings relating to the winding up of companies pending before any Court immediately before the commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018, may file an application for transfer of such proceedings and the Court may by order transfer such proceedings to the Tribunal and the proceedings so transferred shall be dealt with by the Tribunal as an application for initiation of corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016."

31 of 2016.

Repeal and
savings.

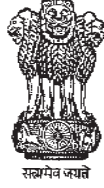
40. (1) The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018 is hereby repealed.

Ord. 6 of
2018.

(2) Notwithstanding such repeal, anything done or any action taken under the Insolvency and Bankruptcy Code, 2016, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the said Code, as amended by this Act.

31 of 2016.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 39] नई दिल्ली, शुक्रवार, अगस्त 17, 2018/ श्रावण 26, 1940 (शक)
No. 39] NEW DELHI, FRIDAY, AUGUST 17, 2018/SHRAVANA 26, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 17th August, 2018/Shravana 26, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 17th August, 2018, and is hereby published for general information:—

THE SCHEDULED CASTES AND THE SCHEDULED TRIBES (PREVENTION OF ATROCITIES) AMENDMENT ACT, 2018

No. 27 OF 2018

[17th August, 2018.]

An Act further to amend the Scheduled Castes and the Scheduled Tribes
(Prevention of Atrocities) Act, 1989.

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

1. (1) This Act may be called the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Amendment Act, 2018.

Short title and commencement.

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

Insertion of
new section
18A.

2. After section 18 of the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act, 1989, the following section shall be inserted, namely:—

33 of 1989.

No enquiry or
approval
required.

"18A. (1) For the purposes of this Act,—

(a) preliminary enquiry shall not be required for registration of a First Information Report against any person; or

(b) the investigating officer shall not require approval for the arrest, if necessary, of any person,

against whom an accusation of having committed an offence under this Act has been made and no procedure other than that provided under this Act or the Code shall apply.

(2) The provisions of section 438 of the Code shall not apply to a case under this Act, notwithstanding any judgment or order or direction of any Court."

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 41] नई दिल्ली, मंगलवार, अगस्त 21, 2018/ श्रावण 30, 1940 (शक)
No. 41] NEW DELHI, TUESDAY, AUGUST 21, 2018/SHRAVANA 30, 1940 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 21st August, 2018/Shravana 30, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 20th August, 2018, and is hereby published for general information:—

THE COMMERCIAL COURTS, COMMERCIAL DIVISION AND COMMERCIAL APPELLATE DIVISION OF HIGH COURTS (AMENDMENT) ACT, 2018

No. 28 OF 2018

[20th August, 2018.]

An Act to amend the Commercial Courts, Commercial Division and
Commercial Appellate Division of High Courts Act, 2015.

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

1. (1) This Act may be called the Commercial Courts, Commercial Division and
Commercial Appellate Division of High Courts (Amendment) Act, 2018.

(2) Save as otherwise provided, it shall be deemed to have come into force on the
3rd day of May, 2018.

Short title
and
commence-
ment.

Amendment
of long title.

2. In the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (hereinafter referred to as the principal Act), in the long title, after the words "Commercial Courts", the words "Commercial Appellate Courts," shall be inserted.

4 of 2016.

Amendment
of section 1.

3. In section 1 of the principal Act, for sub-section (I), the following sub-section shall be substituted, namely:—

"(I) This Act may be called the Commercial Courts Act, 2015."

Amendment
of section 2.

4. In section 2 of the principal Act, in sub-section (I),—

(I) clause (a) shall be renumbered as clause (aa) thereof, and before clause (aa) as so renumbered, the following clause shall be inserted, namely:—

'(a) "Commercial Appellate Courts" means the Commercial Appellate Courts designated under section 3A;'

(II) in clause (i), for the words "which shall not be less than one crore rupees", the words "which shall not be less than three lakh rupees" shall be substituted.

Substitution
of Chapter
heading.

5. In the principal Act, in Chapter II, for the Chapter heading, the following Chapter heading shall be substituted, namely:—

"COMMERCIAL COURTS, COMMERCIAL APPELLATE COURTS, COMMERCIAL DIVISIONS AND COMMERCIAL APPELLATE DIVISIONS".

Amendment
of section 3.

6. In section 3 of the principal Act,—

(a) in sub-section (I), for the proviso, the following provisos shall be substituted, namely:—

"Provided that with respect to the High Courts having ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, by notification, constitute Commercial Courts at the District Judge level:

Provided further that with respect to a territory over which the High Courts have ordinary original civil jurisdiction, the State Government may, by notification, specify such pecuniary value which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts, as it may consider necessary.";

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

"(IA) Notwithstanding anything contained in this Act, the State Government may, after consultation with the concerned High Court, by notification, specify such pecuniary value which shall not be less than three lakh rupees or such higher value, for whole or part of the State, as it may consider necessary.";

(c) in sub-section (3),—

(i) for the words "State Government shall", the words "State Government may" shall be substituted;

(ii) for the words "Commercial Court, from amongst the cadre of Higher Judicial Service in the State", the following words shall be substituted, namely:—

"Commercial Court either at the level of District Judge or a court below the level of a District Judge".

	7. After section 3 of the principal Act, the following section shall be inserted, namely:—	Insertion of new section 3A.
	"3A. Except the territories over which the High Courts have ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, by notification, designate such number of Commercial Appellate Courts at District Judge level, as it may deem necessary, for the purposes of exercising the jurisdiction and powers conferred on those Courts under this Act."	Designation of Commercial Appellate Courts.
	8. In section 4 of the principal Act, in sub-section (1), for the words "ordinary civil jurisdiction", the words "ordinary original civil jurisdiction" shall be substituted.	Amendment of section 4.
	9. Section 9 of the principal Act shall be omitted.	Omission of section 9.
	10. In section 12 of the principal Act, in sub-section (1),—	Amendment of section 12.
	(i) in clause (c), after the words "Specified Value;", the word "and" shall be inserted;	
	(ii) in clause (d), the word "and", occurring at the end, shall be omitted;	
	(iii) clause (e) shall be omitted.	
	11. After Chapter III of the principal Act, the following Chapter shall be inserted, namely:—	Insertion of new Chapter IIIA.
	"CHAPTER IIIA	
	PRE-INSTITUTION MEDIATION AND SETTLEMENT	
	12A. (1) A suit, which does not contemplate any urgent interim relief under this Act, shall not be instituted unless the plaintiff exhausts the remedy of pre-institution mediation in accordance with such manner and procedure as may be prescribed by rules made by the Central Government.	Pre-Institution Mediation and Settlement.
39 of 1987.	(2) The Central Government may, by notification, authorise the Authorities constituted under the Legal Services Authorities Act, 1987, for the purposes of pre-institution mediation.	
39 of 1987.	(3) Notwithstanding anything contained in the Legal Services Authorities Act, 1987, the Authority authorised by the Central Government under sub-section (2) shall complete the process of mediation within a period of three months from the date of application made by the plaintiff under sub-section (1):	
	Provided that the period of mediation may be extended for a further period of two months with the consent of the parties:	
36 of 1963.	Provided further that, the period during which the parties remained occupied with the pre-institution mediation, such period shall not be computed for the purpose of limitation under the Limitation Act, 1963.	
	(4) If the parties to the commercial dispute arrive at a settlement, the same shall be reduced into writing and shall be signed by the parties to the dispute and the mediator.	
26 of 1996.	(5) The settlement arrived at under this section shall have the same status and effect as if it is an arbitral award on agreed terms under sub-section (4) of section 30 of the Arbitration and Conciliation Act, 1996."	
	12. In section 13 of the principal Act, for sub-section (1), the following shall be substituted, namely:—	Amendment of section 13.

"(I) Any person aggrieved by the judgment or order of a Commercial Court below the level of a District Judge may appeal to the Commercial Appellate Court within a period of sixty days from the date of judgment or order.

(IA) Any person aggrieved by the judgment or order of a Commercial Court at the level of District Judge exercising original civil jurisdiction or, as the case may be, Commercial Division of a High Court may appeal to the Commercial Appellate Division of that High Court within a period of sixty days from the date of the judgment or order:

Provided that an appeal shall lie from such orders passed by a Commercial Division or a Commercial Court that are specifically enumerated under Order XLIII of the Code of Civil Procedure, 1908 as amended by this Act and section 37 of the Arbitration and Conciliation Act, 1996."

5 of 1908.
26 of 1996.

Amendment
of section 14.

13. In section 14 of the principal Act, for the words "Commercial Appellate Division", the words "Commercial Appellate Court and the Commercial Appellate Division" shall be substituted.

Amendment
of section 15.

14. In section 15 of the principal Act, in sub-section (4), for the words, figures and letter "with Order XIV-A", the words, figures and letter "with Order XV-A" shall be substituted.

Amendment
of section 17.

15. In section 17 of the principal Act, for the words "Commercial Courts" and "Commercial Court", wherever they occur, the words "Commercial Courts, Commercial Appellate Courts" shall be substituted.

Amendment
of section 20.

16. In section 20 of the principal Act, for the words "Commercial Court", the words "Commercial Courts, Commercial Appellate Courts" shall be substituted.

Insertion of
new section
21A.

17. After section 21 of the principal Act, the following section shall be inserted, namely:—

Power of
Central
Government
to make rules.

"21A. (I) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

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

(a) the manner and procedure of pre-institution mediation under sub-section (I) of section 12A;

(b) any other matter which is required to be, or may be, prescribed or in respect of which provision is to be made by rules made by the Central Government.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session, or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."

Amendment
of Schedule.

18. In the Schedule to the principal Act,—

(i) in Paragraph 4, in sub-paragraph (D), in item (iv),—

(a) in the opening portion, the words "after the first proviso," shall be omitted;

(b) for the words "Provided further that", the words "Provided that" shall be substituted;

(ii) in Paragraph 11, for the words "Commercial Court", the words "Commercial Court, Commercial Appellate Court" shall be substituted;

(iii) after Paragraph 11, the following shall be inserted and shall be deemed to have been inserted with effect from the 23rd October, 2015, namely:—

‘12. After Appendix H, the following Appendix shall be inserted, namely:—

“APPENDIX-I

STATEMENT OF TRUTH

(Under First Schedule, Order VI- Rule 15A and Order XI- Rule 3)

I ----- the deponent do hereby solemnly affirm and declare as under:

1. I am the party in the above suit and competent to swear this affidavit.
2. I am sufficiently conversant with the facts of the case and have also examined all relevant documents and records in relation thereto.
3. I say that the statements made in -----paragraphs are true to my knowledge and statements made in -----paragraphs are based on information received which I believe to be correct and statements made in ---paragraphs are based on legal advice.
4. I say that there is no false statement or concealment of any material fact, document or record and I have included information that is according to me, relevant for the present suit.
5. I say that all documents in my power, possession, control or custody, pertaining to the facts and circumstances of the proceedings initiated by me have been disclosed and copies thereof annexed with the plaint, and that I do not have any other documents in my power, possession, control or custody.
6. I say that the above-mentioned pleading comprises of a total of ---- pages, each of which has been duly signed by me.
7. I state that the Annexures hereto are true copies of the documents referred to and relied upon by me.
8. I say that I am aware that for any false statement or concealment, I shall be liable for action taken against me under the law for the time being in force.

Place:

Date:

DEPONENT

VERIFICATION

I, do hereby declare that the statements made above are true to my knowledge.

Verified at [place] on this [date]

DEPONENT."!

Application of provisions of this Act to cases filed on or after its commencement.

Repeal and savings.

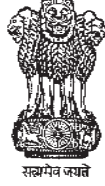
19. Save as otherwise provided, the provisions of this Act shall apply only to cases relating to commercial disputes filed on or after the date of commencement of this Act.

20. (1) The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018 is hereby repealed.

(2) Notwithstanding the repeal of the said Ordinance, anything done or any action taken under the said Ordinance shall deemed to have been done or taken under the corresponding provisions of this Act.

Ordinance 3
of 2018.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 42]

नई दिल्ली, शनिवार, अगस्त 25, 2018/ भाद्रपद 3, 1940 (शक)

No. 42] NEW DELHI, SATURDAY, AUGUST 25, 2018/BHADRAPADA 3, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 25th August, 2018/Bhadrapada 3, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 24th August, 2018, and is hereby published for general information:—

THE APPROPRIATION (No. 4) ACT, 2018

No. 29 OF 2018

[24th August, 2018.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2018-19.

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

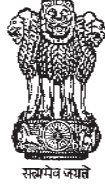
1. This Act may be called the Appropriation (No. 4) Act, 2018. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of eleven thousand six hundred ninety-seven crore and ninety-two lakh rupees towards defraying the several charges which will come in course of payment during the financial year 2018-19 in respect of the services specified in column 2 of the Schedule. Issue of
Rs. 11697,92,00,000
out of the
Consolidated
Fund of India
for the
financial year
2018-19.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.

THE SCHEDULE
(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
1	Department of Agriculture, Cooperation and Farmers' Welfare	Revenue	1791,64,00,000	..	1791,64,00,000
2	Department of Agricultural Research and Education	Revenue	1,00,000	..	1,00,000
3	Department of Animal Husbandry, Dairying and Fisheries	Revenue	2,00,000	..	2,00,000
4	Atomic Energy	Revenue	2,00,000	..	2,00,000
		Capital	2,00,000	..	2,00,000
5	Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)	Revenue	30,00,00,000	..	30,00,00,000
6	Department of Chemicals and Petrochemicals	Revenue	200,00,00,000	..	200,00,00,000
7	Department of Fertilisers	Revenue	2,00,00,000	..	2,00,00,000
9	Ministry of Civil Aviation	Capital	980,00,00,000	..	980,00,00,000
11	Department of Commerce	Revenue	500,01,00,000	..	500,01,00,000
12	Department of Industrial Policy and Promotion	Revenue	3,00,000	..	3,00,000
13	Department of Posts	Revenue	600,00,00,000	..	600,00,00,000
14	Department of Telecommunications	Revenue	..	78,82,00,000	78,82,00,000
15	Department of Consumer Affairs	Revenue	1,00,000	..	1,00,000
16	Department of Food and Public Distribution	Revenue	463,31,00,000	..	463,31,00,000
17	Ministry of Corporate Affairs	Revenue	1,00,000	..	1,00,000
18	Ministry of Culture	Revenue	2,00,000	..	2,00,000
		Capital	150,00,00,000	..	150,00,00,000
19	Ministry of Defence (Misc.)	Revenue	1057,84,00,000	..	1057,84,00,000
23	Ministry of Development of North Eastern Region	Revenue	110,00,00,000	..	110,00,00,000
24	Ministry of Drinking Water and Sanitation	Revenue	1,00,000	..	1,00,000
25	Ministry of Earth Sciences	Capital	1,00,000	..	1,00,000
26	Ministry of Electronics and Information Technology	Revenue	200,01,00,000	..	200,01,00,000
27	Ministry of Environment, Forests and Climate Change	Revenue	50,01,00,000	..	50,01,00,000
28	Ministry of External Affairs	Revenue	250,00,00,000	..	250,00,00,000
		Capital	1,00,000	..	1,00,000
29	Department of Economic Affairs	Revenue	3,00,000	..	3,00,000
		Capital	2,00,000	..	2,00,000
31	Department of Financial Services	Capital	20,00,00,000	..	20,00,00,000
32	Department of Investment and Public Asset Management (DIPAM)	Revenue	27,15,00,000	..	27,15,00,000
34	Direct Taxes	Capital	2,00,000	..	2,00,000
35	Indirect Taxes	Revenue	1,00,000	..	1,00,000
36	Indian Audit and Accounts Department	Revenue	14,00,00,000	..	14,00,00,000
41	Ministry of Food Processing Industries	Revenue	2,00,000	..	2,00,000
42	Department of Health and Family Welfare	Revenue	4,00,000	..	4,00,000
		Capital	2,00,000	..	2,00,000
44	Department of Heavy Industry	Capital	2,00,000	..	2,00,000
46	Ministry of Home Affairs	Revenue	1,00,000	2,17,00,000	2,18,00,000
47	Cabinet	Revenue	150,00,00,000	..	150,00,00,000
		Capital	715,89,00,000	..	715,89,00,000
48	Police	Revenue	516,31,00,000	..	516,31,00,000
		Capital	25,64,00,000	..	25,64,00,000
49	Andaman and Nicobar Islands	Revenue	86,00,00,000	..	86,00,00,000
52	Daman and Diu	Revenue	1,00,000	..	1,00,000
		Capital	1,00,000	..	1,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding			
		Voted by Parliament	Charged on the Consolidated Fund	Total	
		Rs.	Rs.	Rs.	
56	Ministry of Housing and Urban Affairs	Revenue	3,00,000	..	3,00,000
		Capital	4,00,000	..	4,00,000
57	Department of School Education and Literacy	Revenue	3,00,000	..	3,00,000
58	Department of Higher Education	Revenue	3,00,000	..	3,00,000
59	Ministry of Information and Broadcasting	Revenue	1,00,000	..	1,00,000
		Capital	1,00,000	..	1,00,000
64	Ministry of Micro, Small and Medium Enterprises ..	Revenue	2,00,000	..	2,00,000
		Capital	1,00,000	..	1,00,000
65	Ministry of Mines	Revenue	1,00,000	..	1,00,000
68	Ministry of Panchayati Raj	Revenue	4,00,000	..	4,00,000
70	Ministry of Personnel, Public Grievances and Pensions	Revenue	1,00,000	..	1,00,000
		Capital	9,00,000	..	9,00,000
	CHARGED.— <i>Central Vigilance Commission</i>	Revenue	..	1,00,000	1,00,000
72	Ministry of Petroleum and Natural Gas	Revenue	1708,01,00,000	..	1708,01,00,000
73	Ministry of Planning	Revenue	20,90,00,000	..	20,90,00,000
74	Ministry of Power	Revenue	1,00,000	..	1,00,000
76	Lok Sabha	Revenue	20,00,00,000	10,00,000	20,10,00,000
77	Rajya Sabha	Revenue	23,84,00,000	1,13,00,000	24,97,00,000
80	Ministry of Railways	Capital	1,00,000	..	1,00,000
81	Ministry of Road Transport and Highways	Capital	1,00,000	..	1,00,000
82	Department of Rural Development	Revenue	3,00,000	..	3,00,000
84	Department of Science and Technology	Revenue	1,00,000	..	1,00,000
85	Department of Biotechnology	Revenue	2,00,000	..	2,00,000
87	Ministry of Shipping	Revenue	218,60,00,000	..	218,60,00,000
89	Department of Social Justice and Empowerment	Revenue	156,50,00,000	..	156,50,00,000
		Capital	1,00,000	..	1,00,000
91	Department of Space	Revenue	1,00,000	..	1,00,000
		Capital	1,00,000	..	1,00,000
92	Ministry of Statistics and Programme Implementation	Revenue	2,00,000	..	2,00,000
93	Ministry of Steel	Revenue	1,00,000	..	1,00,000
94	Ministry of Textiles	Revenue	1500,02,00,000	..	1500,02,00,000
		Capital	1,00,000	..	1,00,000
95	Ministry of Tourism	Revenue	1,00,000	..	1,00,000
96	Ministry of Tribal Affairs	Revenue	1,00,000	1,00,000	2,00,000
97	Ministry of Water Resources, River Development and Ganga Rejuvenation	Revenue	4,00,000	..	4,00,000
		Capital	1,00,000	..	1,00,000
98	Ministry of Women and Child Development	Revenue	4,00,000	..	4,00,000
		Capital	27,00,00,000	..	27,00,00,000
99	Ministry of Youth Affairs and Sports	Revenue	2,00,000	..	2,00,000
	TOTAL:		11615,68,00,000	82,24,00,000	11697,92,00,000

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 43]

नई दिल्ली, शनिवार, अगस्त 25, 2018/ भाद्रपद 3, 1940 (शक)

No. 43] NEW DELHI, SATURDAY, AUGUST 25, 2018/BHADRAPADA 3, 1940 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 25th August, 2018/Bhadrapada 3, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 24th August, 2018, and is hereby published for general information:—

THE APPROPRIATION (No. 5) ACT, 2018

No. 30 OF 2018

[24th August, 2018.]

An Act to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 2016, in excess of the amounts granted for those services and for that year.

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

1. This Act may be called the Appropriation (No. 5) Act, 2018. Short title.
2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule, amounting in the aggregate to the sum of two hundred eighty-six crore forty-four lakh twenty thousand and two hundred fifty-five rupees shall be deemed to have been authorised to be paid and applied to meet the amounts spent for defraying the charges in respect of the services specified in column 2 of the Schedule during the financial year ended on the 31st day of March, 2016, in excess of the amounts granted for those services and for that year. Issue of Rs. 286,44,20,255 out of the Consolidated Fund of India to meet certain excess expenditure for the year ended on the 31st March, 2016.
3. The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of India under this Act shall be deemed to have been appropriated for the services and purposes expressed in the Schedule in relation to the financial year ended on the 31st day of March, 2016. Appropriation.

THE SCHEDULE
(See sections 2 and 3)

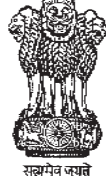
1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Civil Ministries			
15	Department of Telecommunication Revenue	210,22,20,526	...	210,22,20,526
22	Defence Pensions Revenue	...	14,65,728	14,65,728
	Ministry of Railways			
2	Miscellaneous Expenditure Revenue	75,62,93,767	...	75,62,93,767
3	Working Expenses—General Superintendence and Services Revenue	...	11,02,690	11,02,690
4	Working Expenses—Repairs and maintenance of permanent way and works Revenue	...	14,04,773	14,04,773
6	Working Expenses—Repairs and Maintenance of Carriage and Wagons Revenue	...	158	158
11	Working Expenses—Staff Welfare and Amenities ... Revenue	...	200	200
13	Working Expenses—Provident Fund, Pension and Other retirement benefits Revenue	...	19,32,413	19,32,413
	TOTAL:	285,85,14,293	59,05,962	286,44,20,255

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

CORRIGENDA

In the Insurance Laws (Amendment) Act, (5 of 2015), as published in the Gazette of India Extraordinary, Part II, Section 1, Issue No. 8, dated the 20th March, 2015,—

- (i) at page 5, in line No. 41, for “sub-section (1)”, read “sub-section (2);
- (ii) at page 7, in line No. 40 and 41, for “the Securities’ read “Securities”;
- (iii) at page 35, in line No. 30, for “sub-section (12)”, read “sub-section (2).



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 44] नई दिल्ली, बृहस्पतिवार, अगस्त 30, 2018/ भाद्रपद 8, 1940 (शक)
No. 44] NEW DELHI, THURSDAY, AUGUST 30, 2018/BHADRAPADA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 30th August, 2018/Bhadrapada 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th August, 2018, and is hereby published for general information:—

THE CENTRAL GOODS AND SERVICES TAX (AMENDMENT) ACT, 2018 (No. 31 OF 2018)

[29th August, 2018]

An Act further to amend the Central Goods and Services Tax Act, 2017.

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

1. (1) This Act may be called the Central Goods and Services Tax (Amendment) Act, 2018.

Short title
and
commencement.

(2) Save as otherwise provided, the provisions of this Act 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.

12 of 2017.

2. In section 2 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act),—

Amendment
of section 2.

(a) in clause (4),—

(i) for the words “Central Board of Excise and Customs”, the words “Central Board of Indirect Taxes and Customs” shall be substituted;

(ii) for the words “the Appellate Authority and the Appellate Tribunal”, the words, brackets and figures “the Appellate Authority, the Appellate Tribunal and the Authority referred to in sub-section (2) of section 171” shall be substituted;

(b) in clause (17), for sub-clause (h), the following sub-clause shall be substituted, namely:—

“(h) activities of a race club including by way of totalisator or a license to book maker or activities of a licensed book maker in such club; and”;

(c) clause (18) shall be omitted;

(d) in clause (35), for the word, brackets and letter “clause (c)”, the word, brackets and letter “clause (b)” shall be substituted;

(e) in clause (69), in sub-clause (f), after the word and figures “article 371”, the words, figures and letter “and article 371J” shall be inserted;

(f) in clause (102), the following *Explanation* shall be inserted, namely:—

‘*Explanation.*—For the removal of doubts, it is hereby clarified that the expression “services” includes facilitating or arranging transactions in securities;’.

Amendment
of section 7.

3. In section 7 of the principal Act, with effect from the 1st day of July, 2017,—

(a) in sub-section (1), —

(i) in clause (b), after the words “or furtherance of business;”, the word “and” shall be inserted and shall always be deemed to have been inserted;

(ii) in clause (c), after the words “a consideration”, the word “and” shall be omitted and shall always be deemed to have been omitted;

(iii) clause (d) shall be omitted and shall always be deemed to have been omitted;

(b) after sub-section (1), the following sub-section shall be inserted and shall always be deemed to have been inserted, namely:—

“(1A) where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.”;

(c) in sub-section (3), for the words, brackets and figures “sub-sections (1) and (2)”, the words, brackets, figures and letter “sub-sections (1), (1A) and (2)” shall be substituted.

Amendment
of section 9.

4. In section 9 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both.”.

Amendment
of section 10.

5. In section 10 of the principal Act,—

(a) in sub-section (1) —

(i) for the words “in lieu of the tax payable by him, an amount calculated at such rate”, the words, brackets and figures “in lieu of the tax payable by him

under sub-section (1) of section 9, an amount of tax calculated at such rate” shall be substituted;

(ii) in the proviso, for the words “one crore rupees”, the words “one crore and fifty lakh rupees” shall be substituted;

(iii) after the proviso, the following proviso shall be inserted, namely:—

“Provided further that a person who opts to pay tax under clause (a) or clause (b) or clause (c) may supply services (other than those referred to in clause (b) of paragraph 6 of Schedule II), of value not exceeding ten per cent. of turnover in a State or Union territory in the preceding financial year or five lakh rupees, whichever is higher.”;

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

“(a) save as provided in sub-section (1), he is not engaged in the supply of services;”.

6. In section 12 of the principal Act, in sub-section (2), in clause (a), the words, brackets and figure “sub-section (1) of” shall be omitted.

Amendment
of section 12.

7. In section 13 of the principal Act, in sub-section (2), the words, brackets and figure “sub-section (2) of” occurring at both the places, shall be omitted.

Amendment
of section 13.

8. In section 16 of the principal Act, in sub-section (2),—

Amendment
of section 16.

(a) in clause (b), for the *Explanation*, the following *Explanation* shall be substituted, namely:—

“*Explanation.*—For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services—

(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person.”;

(b) in clause (c), for the word and figures “section 41”, the words, figures and letter “section 41 or section 43A” shall be substituted.

9. In section 17 of the principal Act,—

Amendment
of section 17.

(a) in sub-section (3), the following *Explanation* shall be inserted, namely:—

“*Explanation.*—For the purposes of this sub-section, the expression “value of exempt supply” shall not include the value of activities or transactions specified in Schedule III, except those specified in paragraph 5 of the said Schedule.”;

(b) in sub-section (5), for clauses (a) and (b), the following clauses shall be substituted, namely:—

“(a) motor vehicles for transportation of persons having approved seating capacity of not more than thirteen persons (including the driver), except when they are used for making the following taxable supplies, namely:—

(A) further supply of such motor vehicles; or

(B) transportation of passengers; or

(C) imparting training on driving such motor vehicles;

(aa) vessels and aircraft except when they are used—

(i) for making the following taxable supplies, namely:—

(A) further supply of such vessels or aircraft; or

(B) transportation of passengers; or

(C) imparting training on navigating such vessels; or

(D) imparting training on flying such aircraft;

(ii) for transportation of goods;

(ab) services of general insurance, servicing, repair and maintenance in so far as they relate to motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa):

Provided that the input tax credit in respect of such services shall be available—

(i) where the motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa) are used for the purposes specified therein;

(ii) where received by a taxable person engaged—

(I) in the manufacture of such motor vehicles, vessels or aircraft; or

(II) in the supply of general insurance services in respect of such motor vehicles, vessels or aircraft insured by him;

(b) the following supply of goods or services or both—

(i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, leasing, renting or hiring of motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa) except when used for the purposes specified therein, life insurance and health insurance:

Provided that the input tax credit in respect of such goods or services or both shall be available where an inward supply of such goods or services or both is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply;

(ii) membership of a club, health and fitness centre; and

(iii) travel benefits extended to employees on vacation such as leave or home travel concession:

Provided that the input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force.”.

Amendment
of section 20.

10. In section 20 of the principal Act, in the *Explanation*, in clause (c), for the words and figures “under entry 84,”, the words, figures and letter “under entries 84 and 92A” shall be substituted.

Amendment
of section 22.

11. In section 22 of the principal Act,—

(a) in sub-section (I), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that the Government may, at the request of a special category State and on the recommendations of the Council, enhance the aggregate turnover referred to in the first proviso from ten lakh rupees to such amount, not exceeding twenty lakh rupees and subject to such conditions and limitations, as may be so notified.”;

(b) in the *Explanation*, in clause (iii), after the words “State of Jammu and Kashmir”, the words “and States of Arunachal Pradesh, Assam, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand” shall be inserted.”.

12. In section 24 of the principal Act, in clause (x), after the words “commerce operator”, the words and figures “who is required to collect tax at source under section 52” shall be inserted. Amendment of section 24.

13. In section 25 of the principal Act,—

(a) in sub-section (1), after the proviso and before the *Explanation*, the following proviso shall be inserted, namely:— Amendment of section 25.

“Provided further that a person having a unit, as defined in the Special Economic Zones Act, 2005, in a Special Economic Zone or being a Special Economic Zone developer shall have to apply for a separate registration, as distinct from his place of business located outside the Special Economic Zone in the same State or Union territory.”;

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

"Provided that a person having multiple places of business in a State or Union territory may be granted a separate registration for each such place of business, subject to such conditions as may be prescribed."

14. In section 29 of the principal Act,—

(a) in the marginal heading after the word “Cancellation”, the words “or suspension” shall be inserted; Amendment of section 29.

(b) in sub-section (1), after clause (c), the following proviso shall be inserted, namely:—

“Provided that during pendency of the proceedings relating to cancellation of registration filed by the registered person, the registration may be suspended for such period and in such manner as may be prescribed.”;

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

“Provided further that during pendency of the proceedings relating to cancellation of registration, the proper officer may suspend the registration for such period and in such manner as may be prescribed.”.

15. In section 34 of the principal Act,—

(a) in sub-section (1),—

(i) for the words “Where a tax invoice has”, the words “Where one or more tax invoices have” shall be substituted; Amendment of section 34.

(ii) for the words “a credit note”, the words “one or more credit notes for supplies made in a financial year” shall be substituted;

(b) in sub-section (3),—

(i) for the words “Where a tax invoice has”, the words “Where one or more tax invoices have” shall be substituted;

(ii) for the words “a debit note”, the words “one or more debit notes for supplies made in a financial year” shall be substituted.

16. In section 35 of the principal Act, in sub-section (5), the following proviso shall be inserted, namely:— Amendment of section 35.

“Provided that nothing contained in this sub-section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.”.

Amendment
of section 39.

17. In section 39 of the principal Act,—

(a) in sub-section (1),—

(i) for the words “in such form and manner as may be prescribed”, the words “in such form, manner and within such time as may be prescribed” shall be substituted;

(ii) the words “on or before the twentieth day of the month succeeding such calendar month or part thereof” shall be omitted;

(iii) the following proviso shall be inserted, namely:—

“Provided that the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall furnish return for every quarter or part thereof, subject to such conditions and safeguards as may be specified therein.”;

(b) in sub-section (7), the following proviso shall be inserted, namely:—

“Provided that the Government may, on the recommendations of the Council, notify certain classes of registered persons who shall pay to the Government the tax due or part thereof as per the return on or before the last date on which he is required to furnish such return, subject to such conditions and safeguards as may be specified therein.”;

(c) in sub-section (9),—

(i) for the words “in the return to be furnished for the month or quarter during which such omission or incorrect particulars are noticed”, the words “in such form and manner as may be prescribed” shall be substituted;

(ii) in the proviso, for the words “the end of the financial year”, the words “the end of the financial year to which such details pertain” shall be substituted.

Insertion of new
section 43A.

18. After section 43 of the principal Act, the following section shall be inserted, namely:—

Procedure for
furnishing
return and
availing input
tax credit.

“43A. (1) Notwithstanding anything contained in sub-section (2) of section 16, section 37 or section 38, every registered person shall in the returns furnished under sub-section (1) of section 39 verify, validate, modify or delete the details of supplies furnished by the suppliers.

(2) Notwithstanding anything contained in section 41, section 42 or section 43, the procedure for availing of input tax credit by the recipient and verification thereof shall be such as may be prescribed.

(3) The procedure for furnishing the details of outward supplies by the supplier on the common portal, for the purposes of availing input tax credit by the recipient shall be such as may be prescribed.

(4) The procedure for availing input tax credit in respect of outward supplies not furnished under sub-section (3) shall be such as may be prescribed and such procedure may include the maximum amount of the input tax credit which can be so availed, not exceeding twenty per cent. of the input tax credit available, on the basis of details furnished by the suppliers under the said sub-section.

(5) The amount of tax specified in the outward supplies for which the details have been furnished by the supplier under sub-section (3) shall be deemed to be the tax payable by him under the provisions of the Act.

(6) The supplier and the recipient of a supply shall be jointly and severally liable to pay tax or to pay the input tax credit availed, as the case may be, in relation to outward supplies for which the details have been furnished under sub-section (3) or sub-section (4) but return thereof has not been furnished.

(7) For the purposes of sub-section (6), the recovery shall be made in such manner as may be prescribed and such procedure may provide for non-recovery of an amount of tax or input tax credit wrongly availed not exceeding one thousand rupees.

(8) The procedure, safeguards and threshold of the tax amount in relation to outward supplies, the details of which can be furnished under sub-section (3) by a registered person,—

(i) within six months of taking registration;

(ii) who has defaulted in payment of tax and where such default has continued for more than two months from the due date of payment of such defaulted amount,

shall be such as may be prescribed.”.

19. In section 48 of the principal Act, in sub-section (2), after the word and figures “section 45”, the words “and to perform such other functions” shall be inserted. Amendment of section 48.

20. In section 49 of the principal Act,— Amendment of section 49.

(a) in sub-section (2), for the word and figures “section 41”, the words, figures and letter “section 41 or section 43A” shall be substituted;

(b) in sub-section (5),—

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

“Provided that the input tax credit on account of State tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax;”;

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

“Provided that the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax;”.

21. After section 49 of the principal Act, the following sections shall be inserted, namely:— Insertion of new sections 49A and 49B.

“49A. Notwithstanding anything contained in section 49, the input tax credit on account of central tax, State tax or Union territory tax shall be utilised towards payment of integrated tax, central tax, State tax or Union territory tax, as the case may be, only after the input tax credit available on account of integrated tax has first been utilised fully towards such payment. Utilisation of input tax credit subject to certain conditions.

49B. Notwithstanding anything contained in this Chapter and subject to the provisions of clause (e) and clause (f) of sub-section (5) of section 49, the Government may, on the recommendations of the Council, prescribe the order and manner of utilisation of the input tax credit on account of integrated tax, central tax, State tax or Union territory tax, as the case may be, towards payment of any such tax.”. Order of utilisation of input tax credit.

22. In section 52 of the principal Act, in sub-section (9), for the word and figures “section 37”, the words and figures “section 37 or section 39” shall be substituted. Amendment of section 52.

23. In section 54 of the principal Act,— Amendment of section 54.

(a) in sub-section (8), in clause (a), for the words “zero-rated supplies”, the words “export” and “exports” shall respectively be substituted;

(b) in the *Explanation*, in clause (2),—

(i) in sub-clause (c), in item (i), after the words “foreign exchange”, the words “or in Indian rupees wherever permitted by the Reserve Bank of India” shall be inserted;

(ii) for sub-clause (e), the following sub-clause shall be substituted, namely:—

“(e) in the case of refund of unutilised input tax credit under clause (ii) of the first proviso to sub-section (3), the due date for furnishing of return under section 39 for the period in which such claim for refund arises;”.

Amendment of section 79. **24.** In section 79 of the principal Act, after sub-section (4), the following *Explanation* shall be inserted, namely:—

‘*Explanation.*—For the purposes of this section, the word person shall include “distinct persons” as referred to in sub-section (4) or, as the case may be, sub-section (5) of section 25.’.

Amendment of section 107. **25.** In section 107 of the principal Act, in sub-section (6), in clause (b), after the words “arising from the said order;”, the words “subject to a maximum of twenty-five crore rupees,” shall be inserted.

Amendment of section 112. **26.** In section 112 of the principal Act, in sub-section (8), in clause (b), after the words “arising from the said order;” the words “subject to a maximum of fifty crore rupees,” shall be inserted.

Amendment of section 129. **27.** In section 129 of the principal Act, in sub-section (6), for the words “seven days”, the words “fourteen days” shall be substituted.

Amendment of section 140. **28.** In section 140 of the principal Act, with effect from the 1st day of July, 2017,—

(a) in sub-section (1), after the letters and word “CENVAT credit”, the words “of eligible duties” shall be inserted and shall always be deemed to have been inserted;

(b) in the *Explanation 1*—

(i) for the word, brackets and figures “sub-sections (3), (4)”, the word, brackets and figures “sub-sections (1), (3), (4)” shall be substituted and shall always be deemed to have been substituted;

(ii) clause (iv) shall be omitted and shall always be deemed to have been omitted;

(c) in the *Explanation 2*—

(i) for the word, brackets and figure “sub-section (5)”, the words, brackets and figures “sub-sections (1) and (5)” shall be substituted and shall always be deemed to have been substituted;

(ii) clause (iv) shall be omitted and shall always be deemed to have been omitted;

(d) after *Explanation 2* as so amended, the following *Explanation* shall be inserted and shall always be deemed to have been inserted, namely:—

‘*Explanation 3.*—For removal of doubts, it is hereby clarified that the expression “eligible duties and taxes” excludes any cess which has not been specified in *Explanation 1* or *Explanation 2* and any cess which is collected as additional duty of customs under sub-section (1) of section 3 of the Customs Tariff Act, 1975.’.

29. In section 143 of the principal Act, in sub-section (1), in clause (b), after the proviso, the following proviso shall be inserted, namely:—

Amendment
of section
143.

“Provided further that the period of one year and three years may, on sufficient cause being shown, be extended by the Commissioner for a further period not exceeding one year and two years respectively.”

30. In Schedule I of the principal Act, in paragraph 4, for the words “taxable person”, the word “person” shall be substituted.

Amendment
of Schedule I.

31. In Schedule II of the principal Act, in the heading, after the word “ACTIVITIES”, the words “OR TRANSACTIONS” shall be inserted and shall always be deemed to have been inserted with effect from the 1st day of July, 2017.

Amendment of
Schedule II.

32. In Schedule III of the principal Act, —

Amendment of
Schedule III.

(i) after paragraph 6, the following paragraphs shall be inserted, namely:—

“7. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India.

8. (a) Supply of warehoused goods to any person before clearance for home consumption;

(b) Supply of goods by the consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but before clearance for home consumption.”;

(ii) the *Explanation* shall be numbered as *Explanation 1* and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:—

Explanation 2.—For the purposes of paragraph 8, the expression “warehoused goods” shall have the same meaning as assigned to it in the Customs Act, 1962.’

52 of 1962.

DR. REETA VASISHTA,
Additional Secretary to the Govt. of India.



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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, बृहस्पतिवार, अगस्त 30, 2018/ भाद्रपद 8, 1940 (शक)

No. 45] NEW DELHI, THURSDAY, AUGUST 30, 2018/BHADRAPADA 8, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 30th August, 2018/Bhadrapada 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th August, 2018, and is hereby published for general information:—

THE INTEGRATED GOODS AND SERVICES TAX (AMENDMENT) ACT, 2018

No. 32 OF 2018

[29th August, 2018.]

An Act further to amend the Integrated Goods and Services Tax Act, 2017.

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

1. (1) This Act may be called the Integrated Goods and Services Tax (Amendment) Act, 2018.

Short title and commencement.

(2) 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.

- Amendment of section 2. **2.** In section 2 of the Integrated Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act),—
- (i) in clause (6), in sub-clause (iv), after the words "foreign exchange", the words "or in Indian rupees wherever permitted by the Reserve Bank of India" shall be inserted;
- (ii) in clause (16), in the *Explanation*, in the long line, after the words "function entrusted", the words, figures and letter "to a Panchayat under article 243G or" shall be inserted.
- Amendment of section 5. **3.** In section 5 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—
- "(4) The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both."
- Amendment of section 8. **4.** In section 8 of the principal Act, in sub-section (2), in *Explanation 1*, in clause (iii), the words, "being a business vertical" shall be omitted.
- Amendment of section 12. **5.** In section 12 of the principal Act, in sub-section (8), the following proviso shall be inserted, namely:—
- "Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods."
- Amendment of section 13. **6.** In section 13 of the principal Act, in sub-section (3), in clause (a), for the second proviso, the following proviso shall be substituted, namely:—
- "Provided further that nothing contained in this clause shall apply in the case of services supplied in respect of goods which are temporarily imported into India for repairs or for any other treatment or process and are exported after such repairs or treatment or process without being put to any use in India, other than that which is required for such repairs or treatment or process;"
- Amendment of section 17. **7.** In section 17 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—
- "(2A). The amount not apportioned under sub-section (1) and sub-section (2) may, for the time being, on the recommendations of the Council, be apportioned at the rate of fifty per cent. to the Central Government and fifty per cent. to the State Governments or the Union territories, as the case may be, on *ad hoc* basis and shall be adjusted against the amount apportioned under the said sub-sections."
- Amendment of section 20. **8.** In section 20 of the principal Act, after the fourth proviso, the following proviso shall be inserted, namely:—
- "Provided also that where the appeal is to be filed before the Appellate Authority or the Appellate Tribunal, the maximum amount payable shall be fifty crore rupees and one hundred crore rupees respectively."

DR. REETA VASISHTA,
Additional Secretary to the Govt. of India.



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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, बृहस्पतिवार, अगस्त 30, 2018/ भाद्रपद 8, 1940 (शक)

No. 46] NEW DELHI, THURSDAY, AUGUST 30, 2018/BHADRAPADA 8, 1940 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 30th August, 2018/Bhadrapada 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th August, 2018, and is hereby published for general information:—

THE UNION TERRITORY GOODS AND SERVICES TAX ACT, (AMENDMENT) 2018

No. 33 OF 2018

[29th August, 2018.]

An Act to amend the Union Territory Goods and Services Tax Act, 2017.

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

1. (1) This Act may be called the Union Territory Goods and Services Tax (Amendment) Act, 2018.

Short title and commencement.

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

Amendment
of section 7.

2. In section 7 of the Union Territory Goods and Services Tax Act, 2017 (hereinafter referred to as the principal Act), for sub-section (4), the following sub-section shall be substituted, namely:—

"(4) The Government may, on the recommendations of the Council, by notification, specify a class of registered persons who shall, in respect of supply of specified categories of goods or services or both received from an unregistered supplier, pay the tax on reverse charge basis as the recipient of such supply of goods or services or both, and all the provisions of this Act shall apply to such recipient as if he is the person liable for paying the tax in relation to such supply of goods or services or both."

Amendment
of section 9.

3. In section 9 of the principal Act, in clause (b), the following proviso shall be inserted, namely:—

"Provided that the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax."

Insertion of
new sections
9A and 9B.

4. After section 9 of the principal Act, the following sections shall be inserted, namely:—

Utilisation of
input tax
credit.

"9A. Notwithstanding anything contained in section 9, the input tax credit on account of Union territory tax shall be utilised towards payment of integrated tax or Union territory tax, as the case may be, only after the input tax credit available on account of integrated tax has first been utilised towards such payment.

Order of
utilisation of
input tax
credit.

9B. Notwithstanding anything contained in this Chapter and subject to the provisions of clause (c) of section 9, the Government may, on the recommendations of the Council, prescribe the order and manner of utilisation of the input tax credit on account of integrated tax, Central tax, State tax or Union territory tax, as the case may be, towards payment of any such tax."

DR. REETA VASISHTA,
Additional Secretary to the Govt. of India.



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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, बृहस्पतिवार, अगस्त 30, 2018/ भाद्रपद 8, 1940 (शक)

No. 47] NEW DELHI, THURSDAY, AUGUST 30, 2018/BHADRAPADA 8, 1940 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 30th August, 2018/Bhadrapada 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th August, 2018, and is hereby published for general information:—

THE GOODS AND SERVICES TAX (COMPENSATION TO STATES) AMENDMENT ACT, 2018

No. 34 OF 2018

[29th August, 2018.]

An act further to amend the Goods and Services Tax (Compensation to States) Act, 2017.

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

1. (1) This Act may be called the Goods and Services Tax (Compensation to States) Amendment Act, 2018. Short title and commencement.

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

15 of 2017.

2. In section 7 of the Goods and Services Tax (Compensation to States) Act, 2017 (hereinafter referred to as the principal Act), in sub-section (4), in clause (b), in sub-clause (ii), for the words "Central Board of Excise and Customs", the words "Central Board of Indirect Taxes and Customs" shall be substituted. Amendment of section 7.

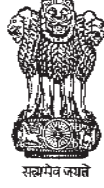
Amendment
of section 10.

3. In section 10 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

"(3A) Notwithstanding anything contained in sub-section (3), fifty per cent. of such amount, as may be recommended by the Council, which remains unutilised in the Fund, at any point of time in any financial year during the transition period shall be transferred to the Consolidated Fund of India as the share of Centre, and the balance fifty per cent. shall be distributed amongst the States in the ratio of their base year revenue determined in accordance with the provisions of section 5:

Provided that in case of shortfall in the amount collected in the Fund against the requirement of compensation to be released under section 7 for any two months' period, fifty per cent. of the same, but not exceeding the total amount transferred to the Centre and the States as recommended by the Council, shall be recovered from the Centre and the balance fifty per cent. from the States in the ratio of their base year revenue determined in accordance with the provisions of section 5."

DR. REETA VASISHTA,
Additional Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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सं० 51] नई दिल्ली, मंगलवार, नवम्बर 20, 2018/ कार्तिक 29, 1940 (शक)
No. 51] NEW DELHI, TUESDAY, NOVEMBER 20, 2018/KARTIKA 29, 1940 (SAKA)

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MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 20th November, 2018/Kartika 29, 1940 (Saka)

CORRIGENDA

THE ANDHRA PRADESH REORGANISATION ACT, 2014

No. 6 OF 2014

In THE ANDHRA PRADESH REORGANISATION ACT, 2014 (6 OF 2014) as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 6, dated the 1st March, 2014, —

Page No.	Line No.	For	Read
52	32	“(b) after Part XXIV,”	“(b) after Part XXII,”
52	33	“PART XXV.-Telangana”	“PART XXIII.-Telangana”

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, शनिवार, दिसम्बर 29, 2018/पौष 8, 1940 (शक)

No. 52] NEW DELHI, SATURDAY, DECEMBER 29, 2018/PAUSHA 8, 1940 (SAKA)

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 29th December, 2018/Pausha 8, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 29th December, 2018 and is hereby published for general information:—

THE NATIONAL TRUST FOR WELFARE OF PERSONS WITH AUTISM, CEREBRAL PALSY, MENTAL RETARDATION AND MULTIPLE DISABILITIES (AMENDMENT) ACT, 2018

No. 35 OF 2018

[29th December 2018.]

An Act to amend the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999.

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

1. This Act may be called the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities (Amendment) Act, 2018. Short title.

44 of 1999.

2. In the National Trust for Welfare of Persons with Autism, Cerebral Palsy, Mental Retardation and Multiple Disabilities Act, 1999 (hereinafter referred to as the principal Act), in section 4,— Amendment of section 4.

(a) in sub-section (1), the words “or until his successor shall have been duly appointed, whichever is longer” shall be omitted;

(b) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The Central Government shall initiate the process for appointment of the Chairperson or Member, as the case may be, at least six months prior to the expiry of the term of office of such Chairperson or Member.”;

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

“Provided that the Central Government may, in case of a casual vacancy in the office of the Chairperson, by order in writing, direct an officer of appropriate level, to perform the functions of the Chairperson until such vacancy is filled in.”.

Amendment of
section 5.

3. In section 5 of the principal Act, in sub-section (1), in the proviso, for the words “until the appointment of his successor is made by the Central Government”, the words “until his resignation is accepted by the Central Government” shall be substituted.

DR. G. NARAYANARAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, शनिवार, अगस्त 11, 2018/ श्रावण 20, 1940 (शक)

No. 34] NEW DELHI, SATURDAY, AUGUST 11, 2018/SHRAVANA 20, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE (Legislative Department)

New Delhi, the 11th August, 2018/Shravana 20, 1940 (Saka)

The following Act of Parliament received the assent of the President on the 11th August, 2018, and is hereby published for general information:—

THE CONSTITUTION (ONE HUNDRED AND SECOND AMENDMENT) ACT, 2018

[11th August, 2018.]

An Act further to amend the Constitution of India.

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

1. (1) This Act may be called the Constitution (One Hundred and Second Amendment) Act, 2018.

Short title and commencement.

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

2. In article 338 of the Constitution, in clause (10), the words, brackets and figures "to such other backward classes as the President may, on receipt of the report of a Commission appointed under clause (1) of article 340, by order specify and also" shall be omitted.

Amendment of article 338.

Insertion of
new article
338B.

National
Commission
for Backward
Classes.

3. After article 338A of the Constitution, the following article shall be inserted, namely:—

“338B. (1) There shall be a Commission for the socially and educationally backward classes to be known as the National Commission for Backward Classes.

(2) Subject to the provisions of any law made in this behalf by Parliament, the Commission shall consist of a Chairperson, Vice-Chairperson and three other Members and the conditions of service and tenure of office of the Chairperson, Vice-Chairperson and other Members so appointed shall be such as the President may by rule determine.

(3) The Chairperson, Vice-Chairperson and other Members of the Commission shall be appointed by the President by warrant under his hand and seal.

(4) The Commission shall have the power to regulate its own procedure.

(5) It shall be the duty of the Commission—

(a) to investigate and monitor all matters relating to the safeguards provided for the socially and educationally backward classes under this Constitution or under any other law for the time being in force or under any order of the Government and to evaluate the working of such safeguards;

(b) to inquire into specific complaints with respect to the deprivation of rights and safeguards of the socially and educationally backward classes;

(c) to participate and advise on the socio-economic development of the socially and educationally backward classes and to evaluate the progress of their development under the Union and any State;

(d) to present to the President, annually and at such other times as the Commission may deem fit, reports upon the working of those safeguards;

(e) to make in such reports the recommendations as to the measures that should be taken by the Union or any State for the effective implementation of those safeguards and other measures for the protection, welfare and socio-economic development of the socially and educationally backward classes; and

(f) to discharge such other functions in relation to the protection, welfare and development and advancement of the socially and educationally backward classes as the President may, subject to the provisions of any law made by Parliament, by rule specify.

(6) The President shall cause all such reports to be laid before each House of Parliament along with a memorandum explaining the action taken or proposed to be taken on the recommendations relating to the Union and the reasons for the non-acceptance, if any, of any of such recommendations.

(7) Where any such report, or any part thereof, relates to any matter with which any State Government is concerned, a copy of such report shall be forwarded to the State Government which shall cause it to be laid before the Legislature of the State along with a memorandum explaining the action taken or proposed to be taken on the recommendations relating to the State and the reasons for the non-acceptance, if any, of any of such recommendations.

(8) The Commission shall, while investigating any matter referred to in sub-clause (a) or inquiring into any complaint referred to in sub-clause (b) of clause (5),

have all the powers of a civil court trying a suit and in particular in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of any person from any part of India and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office;
- (e) issuing commissions for the examination of witnesses and documents;
- (f) any other matter which the President may, by rule, determine.

(9) The Union and every State Government shall consult the Commission on all major policy matters affecting the socially and educationally backward classes."

4. After article 342 of the Constitution, the following article shall be inserted, namely:—

"342A. (1) The President may with respect to any State or Union territory, and where it is a State, after consultation with the Governor thereof, by public notification, specify the socially and educationally backward classes which shall for the purposes of this Constitution be deemed to be socially and educationally backward classes in relation to that State or Union territory, as the case may be.

(2) Parliament may by law include in or exclude from the Central List of socially and educationally backward classes specified in a notification issued under clause (1) any socially and educationally backward class, but save as aforesaid a notification issued under the said clause shall not be varied by any subsequent notification."

5. In article 366 of the Constitution, after clause (26B), the following clause shall be inserted, namely:—

“(26C) "socially and educationally backward classes" means such backward classes as are so deemed under article 342A for the purposes of this Constitution;”

Insertion of
new article 342
A.
Socially and
educationally
backward
classes.

Amendment
of article 366.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

Ordinances in 2018

1. The Fugitive Economic Offenders Ordinance, 2018
1. Corrigenda
2. The Criminal Law (Amendment) Ordinance, 2018
3. The Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018
4. The Homeopathy Central Council (Amendment) Ordinance, 2018
5. The National Sports University Ordinance, 2018
6. The Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018
7. The Muslim Women (Protection Of Rights On Marriage) Ordinance, 2018
8. The Indian Medical Council (Amendment) Ordinance, 2018
9. The Companies (Amendment) Ordinance, 2018



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 21] नई दिल्ली, शनिवार, अप्रैल 21, 2018/ वैशाख 1, 1940 (शक)
No. 21] NEW DELHI, SATURDAY, APRIL 21, 2018/VAISAKHA 1, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 21st April, 2018/Vaisakha 1, 1940 (Saka)

THE FUGITIVE ECONOMIC OFFENDERS ORDINANCE, 2018

No. 1 of 2018

Promulgated by the President in the Sixty-ninth Year of the
Republic of India.

An Ordinance to provide for measures to deter fugitive economic offenders from evading the process of law in India by staying outside the jurisdiction of Indian courts, to preserve the sanctity of the rule of law in India and for matters connected therewith or incidental thereto.

WHEREAS the Fugitive Economic Offenders Bill, 2018 was introduced on the 12th day of March, 2018 in the House of the People;

AND WHEREAS the said Bill could not be taken up for consideration and passing in the House of the People;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

CHAPTER I

PRELIMINARY

1. (1) This Ordinance may be called the Fugitive Economic Offenders Ordinance, 2018.

Short title,
extent and
commencement.

(2) It extends to the whole of India.

(3) It shall come into force at once.

Definitions.

2. (1) In this Ordinance, unless the context otherwise requires,—

(a) “Administrator” means an Administrator appointed under sub-section (1) of section 15;

(b) “benami property” and “benami transaction” shall have the same meanings as assigned to them under clauses (8) and (9) respectively of section 2 of the Prohibition of Benami Property Transactions Act, 1988;

45 of 1988.

(c) “contracting State” means any country or place outside India in respect of which arrangements have been made by the Central Government with the Government of such country through a treaty or otherwise;

(d) “Deputy Director” means the Deputy Director appointed under sub-section (1) of section 49 of the Prevention of Money-laundering Act, 2002;

15 of 2003.

(e) “Director” means the Director appointed under sub-section (1) of section 49 of the Prevention of Money-laundering Act, 2002;

15 of 2003.

(f) “fugitive economic offender” means any individual against whom a warrant for arrest in relation to a Scheduled Offence has been issued by any Court in India, who—

(i) has left India so as to avoid criminal prosecution; or

(ii) being abroad, refuses to return to India to face criminal prosecution;

(g) “key managerial personnel” shall have the same meaning as assigned to it in clause (51) of section 2 of the Companies Act, 2013;

18 of 2013.

(h) “notification” means a notification published in the Official Gazette and the expression “notify” shall be construed accordingly;

(i) “person” includes—

(i) an individual;

(ii) a Hindu Undivided Family;

(iii) a company;

(iv) a trust;

(v) a partnership;

(vi) a limited liability partnership;

(vii) an association of persons or a body of individuals, whether incorporated or not;

(viii) every artificial juridical person not falling within any of the preceding sub-clauses; and

(ix) any agency, office or branch owned or controlled by any of the above persons mentioned in the preceding sub-clauses;

(j) “prescribed” means prescribed by rules made under this Act;

(k) “proceeds of crime” means any property derived or obtained, directly or indirectly, by any person as a result of criminal activity relating to a Scheduled Offence, or the value of any such property, or where such property is taken or held outside the country, then the property equivalent in value held within the country or abroad;

(l) “Schedule” means the Schedule appended to this Act;

(m) “Scheduled Offence” means an offence specified in the Schedule, if the total value involved in such offence or offences is one hundred crore rupees or more;

15 of 2003. (n) "Special Court" means a Court of Session designated as a Special Court under sub-section (1) of section 43 of the Prevention of Money-laundering Act, 2002.

15 of 2003. (2) The words and expressions used and not defined in this Ordinance but defined in the Prevention of Money-laundering Act, 2002 shall have the meanings respectively assigned to them in that Act.

3. The provisions of this Ordinance shall apply to any individual who is, or becomes, a fugitive economic offender on or after the date of coming into force of this Ordinance.

Application of Ordinance.

CHAPTER II

DECLARATION OF FUGITIVE ECONOMIC OFFENDERS AND CONFISCATION OF PROPERTY

4. (1) Where the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, has reason to believe (the reasons for such belief to be recorded in writing), on the basis of material in his possession, that any individual is a fugitive economic offender, he may file an application in such form and manner as may be prescribed in the Special Court that such individual may be declared as a fugitive economic offender.

Application for declaration of fugitive economic offender and procedure therefor.

(2) The application referred to in sub-section (1) shall contain—

(a) reasons for the belief that an individual is a fugitive economic offender;

(b) any information available as to the whereabouts of the fugitive economic offender;

(c) a list of properties or the value of such properties believed to be the proceeds of crime, including any such property outside India for which confiscation is sought;

(d) a list of properties or benami property owned by the individual in India or abroad for which confiscation is sought; and

(e) a list of persons who may have an interest in any of the properties listed under clauses (c) and (d).

15 of 2003. (3) The Authorities appointed for the purposes of the Prevention of Money-laundering Act, 2002 shall be the Authorities for the purposes of this Ordinance.

5. (1) The Director or any other officer authorised by the Director, not below the rank of Deputy Director, may, with the permission of the Special Court, attach any property mentioned in the application under section 4 by an order in writing in such manner as may be prescribed.

Attachment of property.

(2) Notwithstanding anything contained in sub-section (1) or section 4 the Director or any other officer, not below the rank of Deputy Director, authorised by the Director, may, by an order in writing, at any time prior to the filing of the application under section 4, attach any property—

(a) for which there is a reason to believe that the property is proceeds of crime, or is a property owned by an individual who is a fugitive economic offender; and

(b) which is being or is likely to be dealt with in a manner which may result in the property being unavailable for confiscation:

Provided that the Director or any other officer who provisionally attaches any property under this sub-section shall, within a period of thirty days from the date of such attachment, file an application under section 4 before the Special Court.

(3) The attachment of any property under this section shall continue for a period of one hundred and eighty days from the date of order of attachment or such other period as may be extended by the Special Court before the expiry of such period.

(4) Nothing in this section shall prevent the person interested in the enjoyment of the immovable property attached under sub-section (1) from such enjoyment.

Explanation.— For the purposes of this sub-section, the expression “person interested”, in relation to any immovable property includes all persons claiming or entitled to claim any interest in the property.

Powers of Director and other officers.

6. The Director or any other officer shall, for the purposes of section 4, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908 while trying a suit in respect of the following matters, namely:—

- (a) discovery and inspection;
- (b) enforcing the attendance of any person, including any officer of a reporting entity and examining him on oath;
- (c) compelling the production of records;
- (d) receiving evidence on affidavits;
- (e) issuing commissions for examination of witnesses and documents; and
- (f) any other matter which may be prescribed.

Power of survey.

7. (1) Notwithstanding anything contained in any other provisions of this Ordinance, where a Director or any other officer authorised by the Director, on the basis of material in his possession, has reason to believe (the reasons for such belief to be recorded in writing), that an individual may be a fugitive economic offender, he may enter any place—

- (i) within the limits of the area assigned to him; or
- (ii) in respect of which he is authorised for the purposes of this section, by such other authority, who is assigned the area within which such place is situated.

(2) Where the Director or any other officer authorised by him, on the basis of material in his possession, has reason to believe (the reasons for such belief to be recorded in writing) that an individual may be a fugitive economic offender and it is necessary to enter any place as mentioned in sub-section (1), he may request any proprietor, employee or any other person who may be present at that time, to—

- (a) afford him the necessary facility to inspect such records as he may require and which may be available at such place;
- (b) afford him the necessary facility to check or verify the proceeds of crime or any transaction related to proceeds of crime which may be found therein; and
- (c) furnish such information as he may require as to any matter which may be useful for, or relevant to any proceedings under this Ordinance.

(3) The Director, or any other officer acting under this section may—

- (i) place marks of identification on the records inspected by him and make or cause to be made extracts or copies therefrom;
- (ii) make an inventory of any property checked or verified by him; and
- (iii) record the statement of any person present at the property which may be useful for, or relevant to, any proceeding under this Ordinance.

Search and seizure.

8. (1) Notwithstanding anything contained in any other law for the time being in force, where the Director or any other officer not below the rank of Deputy Director authorised by him for the purposes of this section, on the basis of information in his possession, has reason to believe (the reason for such belief to be recorded in writing) that any person—

- (i) may be declared as a fugitive economic offender;
- (ii) is in possession of any proceeds of crime;
- (iii) is in possession of any records which may relate to proceeds of crime; or

(iv) is in possession of any property related to proceeds of crime,

then, subject to any rules made in this behalf, he may authorise any officer subordinate to him to—

(a) enter and search any building, place, vessel, vehicle or aircraft where he has reason to suspect that such records or proceeds of crime are kept;

(b) break open the lock of any door, box, locker, safe, almirah or other receptacle for exercising the powers conferred by clause (a) where the keys thereof are not available;

(c) seize any record or property found as a result of such search;

(d) place marks of identification on such record or property, if required or make or cause to be made extracts or copies therefrom;

(e) make a note or an inventory of such record or property; and

(f) examine on oath any person, who is found to be in possession or control of any record or property, in respect of all matters relevant for the purposes of any investigation under this Ordinance.

(2) Where an authority, upon information obtained during survey under section 7, is satisfied that any evidence shall be or is likely to be concealed or tampered with, he may, for reasons to be recorded in writing, enter and search the building or place where such evidence is located and seize that evidence.

9. Notwithstanding anything contained in any other law for the time being in force—

Search of persons.

(a) if an authority, authorised in this behalf by the Central Government by general or special order, has reason to believe (the reason for such belief to be recorded in writing) that any person has secreted about his person or anything under his possession, ownership or control, any record or proceeds of crime which may be useful for or relevant to any proceedings under this Ordinance, he may search that person and seize such record or property which may be useful for or relevant to any proceedings under this Ordinance;

(b) where an authority is about to search any person, he shall, if such person so requires, take such person within twenty-four hours to the nearest Gazetted Officer, superior in rank to him, or a Magistrate:

Provided that the period of twenty-four hours shall exclude the time necessary for the journey undertaken to take such person to the nearest Gazetted Officer, superior in rank to him, or the Magistrate's Court;

(c) if the requisition under clause (b) is made, the authority shall not detain the person for more than twenty-four hours prior to taking him before the Gazetted Officer, superior in rank to him, or the Magistrate referred to in that sub-section:

Provided that the period of twenty-four hours shall exclude the time necessary for the journey from the place of detention to the office of the Gazetted Officer, superior in rank to him, or the Magistrate's Court;

(d) the Gazetted Officer or the Magistrate before whom any such person is brought shall, if he sees no reasonable ground for search, forthwith discharge such person but otherwise shall direct that search be made;

(e) before making the search under clause (a) or clause (d), the authority shall call upon two or more persons to attend and witness the search and the search shall be made in the presence of such persons;

(f) the authority shall prepare a list of record or property seized in the course of the search and obtain the signatures of the witnesses on the list;

(g) no female shall be searched by anyone except a female; and

(h) the authority shall record the statement of the person searched under clause (a) or clause (e) in respect of the records or proceeds of crime found or seized in the course of the search.

Notice.

10. (1) Where an application under section 4 has been duly filed, the Special Court shall issue a notice to an individual who is alleged to be a fugitive economic offender.

(2) The notice referred to in sub-section (1), shall also be issued to any other person who has any interest in the property mentioned in the application under sub-section (2) of section 4.

(3) A notice under sub-section (1) shall—

(a) require the individual to appear at a specified place and time not less than six weeks from the date of issue of such notice; and

(b) state that failure to appear on the specified place and time shall result in a declaration of the individual as a fugitive economic offender and confiscation of property under this Ordinance.

(4) A notice under sub-section (1) shall be forwarded to such authority, as the Central Government may notify, for effecting service in a contracting State.

(5) The authority referred to in sub-section (4) shall make efforts to serve the notice within a period of two weeks in such manner as may be prescribed.

(6) A notice under sub-section (1) may also be served to the individual alleged to be a fugitive economic offender by electronic means to—

(a) his electronic mail address submitted in connection with an application for allotment of Permanent Account Number under section 139A of the Income-tax Act, 1961;

43 of 1961.

(b) his electronic mail address submitted in connection with an application for enrolment under section 3 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016;

18 of 2016.

(c) any other electronic account as may be prescribed, belonging to the individual which is accessed by him over the internet, subject to the satisfaction of the Special Court that such account has been recently accessed by the individual and constitutes a reasonable method for communication of the notice to the individual.

Procedure for hearing application.

11. (1) Where any individual to whom notice has been issued under sub-section (1) of section 10 appears in person at the place and time specified in the notice, the Special Court may terminate the proceedings under this Ordinance.

(2) Where any individual to whom notice has been issued under sub-section (1) of section 10 fails to appear at the place and time specified in the notice, but enters appearance through counsel, the Special Court may in its discretion give a period of one week to file a reply to the application under section 4.

(3) Where any individual to whom notice has been issued under sub-section (1) of section 10 fails to enter appearance either in person or through counsel, and the Special Court is satisfied—

(a) that service of notice has been effected on such party; or

(b) that notice could not be served in spite of best efforts because such individual has evaded service of notice,

it may, after recording reasons in writing, proceed to hear the application.

(4) The Special Court may also give any person to whom notice has been issued under sub-section (2) of section 10 a period of one week to file a reply to the application under section 4.

12. (1) After hearing the application under section 4, if the Special Court is satisfied that an individual is a fugitive economic offender, it may, by an order, declare the individual as a fugitive economic offender for reasons to be recorded in writing.

Declaration of fugitive economic offender.

(2) On a declaration under sub-section (1), the Special Court may order that any of the following properties stand confiscated to the Central Government—

(a) the proceeds of crime in India or abroad, whether or not such property is owned by the fugitive economic offender; and

(b) any other property or benami property in India or abroad, owned by the fugitive economic offender.

(3) The confiscation order of the Special Court shall, to the extent possible, identify the properties in India or abroad that constitute proceeds of crime which are to be confiscated and in case such properties cannot be identified, quantify the value of the proceeds of crime.

(4) The confiscation order of the Special Court shall separately list any other property owned by the fugitive economic offender in India which is to be confiscated.

(5) Where the Special Court has made an order for confiscation of any property under sub-section (2), and such property is in a contracting State, the Special Court may issue a letter of request to a Court or authority in the contracting State for execution of such order.

(6) Every letter of request to be transmitted to a contracting State under sub-section (5) shall be transmitted in such form and manner as the Central Government may, by notification, specify in this behalf.

(7) The Special Court may, while making the confiscation order, exempt from confiscation any property which is a proceed of crime in which any other person, other than the fugitive economic offender, has an interest if it is satisfied that such interest was acquired *bonafide* and without knowledge of the fact that the property was proceeds of crime.

(8) All the rights and title in the confiscated property shall, from the date of the confiscation order, vest in the Central Government, free from all encumbrances.

(9) Where on the conclusion of the proceedings, the Special Court finds that the individual is not a fugitive economic offender, the Special Court shall order release of property or record attached or seized under this Ordinance to the person entitled to receive it.

(10) Where an order releasing the property has been made by the Special Court under sub-section (9), the Director or any other officer authorised by him in this behalf may withhold the release of any such property or record for a period of ninety days from the date of receipt of such order, if he is of the opinion that such property is relevant for the appeal proceedings under this Ordinance.

13. (1) Where at any time after the institution of the application under section 4, any other property is discovered or identified which constitutes proceeds of crime or is property owned by the fugitive economic offender liable to be confiscated under this Ordinance, the Director or any other officer not below the rank of Deputy Director authorised by the Director for the purposes of this section, may file a supplementary application in the Special Court seeking confiscation of such properties.

Supplementary Application.

(2) The provisions of sections 4 to 12 shall, as far as may be, apply in relation to such application as they apply in relation to an application under section 4.

14. Notwithstanding anything contained in any other law for the time being in force,—

(a) on a declaration of an individual as a fugitive economic offender, any Court or tribunal in India, in any civil proceeding before it, may, disallow such individual from putting forward or defending any civil claim; and

Power to disallow civil claims.

(b) any Court or tribunal in India in any civil proceeding before it, may, disallow any company or limited liability partnership from putting forward or defending any civil claim, if an individual filing the claim on behalf of the company or the limited liability partnership, or any promoter or key managerial personnel or majority shareholder of the company or an individual having a controlling interest in the limited liability partnership has been declared as a fugitive economic offender.

Explanation.—For the purposes of this section, the expressions—

(a) “company” means anybody corporate and includes a firm, or other association of persons; and

(b) “limited liability partnership” shall have the same meaning as assigned to it in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008.

6 of 2009.

Management of properties confiscated under this Ordinance.

15. (1) The Central Government may, by order published in the Official Gazette, appoint as many of its officers (not below the rank of a Joint Secretary to the Government of India) as it thinks fit, to perform the functions of an Administrator.

(2) The Administrator appointed under sub-section (1) shall receive and manage the property in relation to which an order has been made under sub-section (2) of section 12 in such manner and subject to such conditions as may be prescribed.

(3) The Administrator shall also take such measures, as the Central Government may direct, to dispose of the property which is vested in the Central Government under section 12:

Provided that the Central Government or the Administrator shall not dispose of any property for a period of ninety days from the date of the order under sub-section (2) of section 12.

CHAPTER III

MISCELLANEOUS

Rules of evidence.

16. (1) The burden of proof for establishing—

(a) that an individual is a fugitive economic offender; or

(b) that a property is the proceeds of crime or any other property in which the individual alleged to be a fugitive economic offender has an interest,

shall be on the Director or the person authorised by the Director to file the application under section 4.

(2) Notwithstanding anything contained in any other law for the time being in force, where any person referred to in sub-section (2) of section 10 claims that any interest in any property was acquired *bonafide* and without knowledge of the fact that, such property constitutes proceeds of crime, the burden of proving such fact shall lie upon him.

(3) The standard of proof applicable to the determination of facts by the Special Court under this Ordinance shall be preponderance of probabilities.

Appeal.

17. (1) An appeal shall lie from any judgment or order, not being an interlocutory order, of a Special Court to the High Court both on facts and on law.

(2) Every appeal under this section shall be preferred within a period of thirty days from the date of the judgment or order appealed from:

Provided that the High Court may entertain an appeal after the expiry of the said period of thirty days, if it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period of thirty days:

Provided further that no appeal shall be entertained after the expiry of the period of ninety days.

18. No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Special Court is empowered by or under this Ordinance to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Ordinance.

Bar of jurisdiction.

19. No suit, prosecution or other legal proceeding shall lie against the Central Government or Presiding Officer of the Special Court or Director or Deputy Director or any other officer authorised by the Director for anything which is in good faith done or intended to be done under this Ordinance or any rule made thereunder.

Protection of action taken in good faith.

20. (1) The Central Government may, having regard to the objects of this Ordinance, and if it considers necessary or expedient so to do, by notification add to, or as the case may be, omit from the First Schedule any offences specified therein.

Power of Central Government to amend Schedule.

(2) Every such notification shall, as soon as after it is issued, be laid before each House of Parliament.

21. The provisions of this Ordinance shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

Overriding effect.

22. The provisions of this Ordinance shall be in addition to and not in derogation of any other law for the time being in force.

Application of other laws not barred.

23. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Ordinance.

Power to make rules.

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

(a) the form and manner of filing application under sub-section (1) of section 4;

(b) the manner of attachment of property under sub-section (1) of section 5;

(c) other matters under clause (f) of section 6;

(d) the procedure for conducting search and seizure under section 8;

(e) the manner in which the notice shall be served under sub-section (5) of section 10;

(f) any other electronic account under clause (c) of sub-section (6) of section 10;

(g) the manner and conditions subject to which the Administrator shall receive and manage the property confiscated under sub-section (2) of section 15; and

(h) any other matter which is required to be, or may be, prescribed or in respect of which provision is to be made by rules.

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

Laying of rules before Parliament.

25. (1) If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Ordinance as may appear to be necessary for removing the difficulty:

Power to remove difficulties.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

THE SCHEDULE

[See section 2(l) and (m)]

Section	Description of offence
I. Offences under the Indian Penal Code (45 of 1860)	
120B read with any offence in this Schedule	Punishment of criminal conspiracy.
255	Counterfeiting Government stamp.
257	Making or selling instrument for counterfeiting Government stamp.
258	Sale of counterfeit Government stamp.
259	Having possession of counterfeit Government stamp.
260	Using as genuine a Government stamp known to be counterfeit.
417	Punishment for cheating.
418	Cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect.
420	Cheating and dishonestly inducing delivery of property.
421	Dishonest or fraudulent removal or concealment of property to prevent distribution among creditors.
422	Dishonestly or fraudulently preventing debt being available for creditors.
423	Dishonest or fraudulent execution of deed of transfer containing false statement of consideration.
424	Dishonest or fraudulent removal or concealment of property.
467	Forgery of valuable security, will, etc.
471	Using as genuine a forged [document or electronic record].
472	Making or possessing counterfeit seal, etc., with intent to commit forgery punishable under section 467.
473	Making or possessing counterfeit seal, etc., intent to commit forgery punishable otherwise.
475	Counterfeiting device or mark used for authenticating documents described in section 467, or possessing counterfeit marked material.
476	Counterfeiting device or mark used for authenticating documents other than those described in section 467, or possessing counterfeit marked material.
481	Using a false property mark.
482	Punishment for using a false property mark.
483	Counterfeiting a property mark used by another.
484	Counterfeiting a mark used by a public servant.
485	Making or possession of any instrument for counterfeiting a property mark.
486	Selling goods marked with a counterfeit property mark.

Section	Description of offence
487	Making a false mark upon any receptacle containing goods.
488	Punishment for making use of any such false mark.
489A	Counterfeiting currency notes or bank notes.
489B	Using as genuine, forged or counterfeit currency notes or bank notes.
II. Offence under the Negotiable Instruments Act, 1881 (26 of 1881)	
138	Dishonour of cheque for insufficiency, etc., of funds in the account.
III. Offence under the Reserve Bank of India Act, 1934 (2 of 1934)	
58B	Penalties.
IV. Offences under the Central Excise Act, 1944 (1 of 1944)	
Section 9	Offences and Penalties.
V. Offences under the Customs Act, 1962 (52 of 1962)	
135	Evasion of duty or prohibitions.
VI. Offences under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988)	
3	Prohibition of benami transactions.
VII. Offences under the Prevention of Corruption Act, 1988 (49 of 1988)	
7	Public servant taking gratification other than legal remuneration in respect of an official act.
8	Taking gratification in order, by corrupt or illegal means, to influence public servant.
9	Taking gratification for exercise of personal influence with public servant.
10	Punishment for abetment by public servant of offences defined in section 8 or section 9 of the Prevention of Corruption Act, 1988.
13	Criminal misconduct by a public servant.
VIII. Offences under the Securities and Exchange Board of India Act, 1992 (15 of 1992)	
12A read with section 24	Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.
24	Offences for contravention of the provisions of the Act.
IX. Offences under the Prevention of Money Laundering Act, 2002 (15 of 2003)	
3	Offence of money-laundering.
4	Punishment for money-laundering.
X. Offences under the Limited Liability Partnership Act, 2008 (6 of 2009)	
Sub-section (2) of section 30	Carrying on business with intent or purpose to defraud creditors of the Limited Liability Partnership or any other person or for any other fraudulent purpose.

Section	Description of offence
XI. Offences under the Foreign Contribution (Regulation) Act, 2010 (42 of 2010)	
34	Penalty for article or currency or security obtained in contravention of Section 10.
35	Punishment for contravention of any provision of the Act.
XII. Offences under the Companies Act, 2013 (18 of 2013)	
Sub-section (4) of section 42 of the Companies Act, 2013 read with section 24 of the Securities and Exchange Board of India Act, 1992 (15 of 1992)	Offer or invitation for subscription of securities on private placement.
74	Repayment of deposits, etc., accepted before commencement of the Companies Act, 2013.
76A	Punishment for contravention of section 73 or section 76 of the Companies Act, 2013.
Second proviso to sub-section (4) of section 206	Carrying on business of a company for a fraudulent or unlawful purpose.
Clause (b) of section 213	Conducting the business of a company with intent to defraud its creditors, members or any other persons or otherwise for a fraudulent or unlawful purpose, or in a manner oppressive to any of its members or that the company was formed for any fraudulent or unlawful purpose.
447	Punishment for fraud.
452	Punishment for wrongful withholding of property.
XIII. Offences under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (22 of 2015)	
51	Punishment for wilful attempt to evade tax.
XIV. Offences under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)	
69	Punishment for transactions defrauding creditors.
XV. Offences under the Central Goods and Services Tax Act, 2017 (12 of 2017)	
Sub-section (5) of section 132	Punishment for certain offences.

RAMNATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 24th April, 2018/Vaisakha 4, 1940 (Saka)

CORRIGENDA

THE FUGITIVE ECONOMIC OFFENDERS ORDINANCE, 2018
No. 1 OF 2018

In the FUGITIVE ECONOMIC OFFENDERS ORDINANCE, 2018 (1 OF 2018)
as published in the Gazette of India, Extraordinary, Part II, Section 1, Issue No. 21, dated the
21st April, 2018, —

Page No.	Line(s) No.	For	Read
2	38	“Act”	“Ordinance”
2	43	“Act”	“Ordinance”
5	36	“sub-section”	“sub-clause”
7	39	“is property”	“is property or <i>benami</i> property”
7	40	“economic offender”	“economic offender in India or abroad”
9	11	“the First Schedule”	“the Schedule”
9	29	“the manner”	“manner”

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 21st April, 2018/Vaisakha 1, 1940 (Saka)

THE CRIMINAL LAW (AMENDMENT) ORDINANCE, 2018

NO. 2 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India.

An Ordinance further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Code of Criminal Procedure, 1973 and the Protection of Children from Sexual Offences Act, 2012.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

CHAPTER I

PRELIMINARY

1. (1) This Ordinance may be called the Criminal Law (Amendment) Ordinance, 2018. Short title and commencement.

(2) It shall come into force at once.

CHAPTER II

AMENDMENTS TO THE INDIAN PENAL CODE

- Amendment of section 166A. **2.** In the Indian Penal Code (hereafter in this Chapter referred to as the Penal Code), in section 166A, in clause (c), for the words, figures and letters “section 376B, section 376C, section 376D,”, the words, figures and letters “section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB,” shall be substituted; 45 of 1860.
- Amendment of section 228A. **3.** In section 228A of the Penal Code, in sub-section (1), for the words, figures and letters “section 376A, section 376B, section 376C, section 376D”, the words, figures and letters “section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB” shall be substituted.
- Amendment of section 376. **4.** In section 376 of the Penal Code,—
- (a) in sub-section (1), for the words “shall not be less than seven years, but which may extend to imprisonment for life, and shall also be liable to fine”, the words “shall not be less than ten years, but which may extend to imprisonment for life, and shall also be liable to fine” shall be substituted;
- (b) in sub-section (2), clause (i) shall be omitted;
- (c) after sub-section (2), the following sub-section shall be inserted, namely:—
- “(3) Whoever, commits rape on a woman under sixteen years of age shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person’s natural life, and shall also be liable to fine:
- Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:
- Provided further that any fine imposed under this sub-section shall be paid to the victim.”.
- Insertion of new section 376AB. **5.** After section 376A of the Penal Code, the following section shall be inserted, namely:— 45 of 1860.

“376AB. Whoever, commits rape on a woman under twelve years of age shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person’s natural life, and with fine or with death:

Punishment for rape on woman under twelve years of age.

Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:

Provided further that any fine imposed under this section shall be paid to the victim.”.

6. After section 376D of the Penal Code, the following sections shall be inserted , namely:—

Insertion of new sections 376 DA and 376 DB.

“376DA. Where a woman under sixteen years of age is raped by one or more persons constituting a group or acting in furtherance of a common intention, each of those persons shall be deemed to have committed the offence of rape and shall be punished with imprisonment for life, which shall mean imprisonment for the remainder of that person’s natural life, and with fine:

Punishment for gang rape on woman under sixteen years of age.

Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:

Provided further that any fine imposed under this section shall be paid to the victim.

376DB. Where a woman under twelve years of age is raped by one or more persons constituting a group or acting in furtherance of a common intention, each of those persons shall be deemed to have committed the offence of rape and shall be punished with imprisonment for life which shall mean imprisonment for the remainder of that person’s natural life, and with fine or with death:

Punishment for gang rape on woman under twelve years of age.

Provided that such fine shall be just and reasonable to meet the medical expenses and rehabilitation of the victim:

Provided further that any fine imposed under this section shall be paid to the victim.”.

CHAPTER III
AMENDMENTS TO THE INDIAN EVIDENCE ACT, 1872

Amendment
to section 53.

7. In section 53A of the Indian Evidence Act, 1872 (hereafter in this Chapter referred to as the Evidence Act), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

1 of 1872.

Amendment to
section 146.

8. In section 146 of the Evidence Act, in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, letters and figures "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

CHAPTER IV
AMENDMENTS TO THE CODE OF CRIMINAL
PROCEDURE, 1973

Amendment of
section 26.

9. In the Code of Criminal Procedure, 1973 (hereafter in this Chapter referred to as the Code of Criminal Procedure), in section 26, in clause (a), in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

2 of 1974.

Amendment of
section 154.

10. In section 154 of the Code of Criminal Procedure, in sub-section (1),—

(i) in the first proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D," the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted;

(ii) in the second proviso, in clause (a), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D," the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted.

11. In section 161 of the Code of Criminal Procedure, in sub-section (3), in the second proviso, for the words, figures and letters "section 376A, section 376B, section 376C, section 376D," the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted.

Amendment of section 161.

12. In section 164 of the Code of Criminal Procedure, in sub-section (5A), in clause (a), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D," the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB," shall be substituted.

Amendment of section 164.

13. In section 173 of the Code of Criminal Procedure,—

Amendment of section 173.

(i) in sub-section (1A), for the words "rape of a child may be completed within three months", the words, figures and letters "an offence under sections 376, 376A, 376AB, 376B, 376C, 376D, 376DA, 376DB or section 376E of the Indian Penal Code shall be completed within two months" shall be substituted;

(ii) in sub-section (2), in clause (i), in sub-clause (h), for the figures, letters and word "376A, 376B, 376C, section 376D", the figures and letters "376A, 376AB, 376B, 376C, 376D, 376DA, 376DB" shall be substituted.

14. In section 197 of the Code of Criminal Procedure, in sub-section (1), in the *Explanation*, for the words, figures and letters "section 376A, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section 376C, section 376D, section 376DA, section 376DB" shall be substituted.

Amendment of section 197.

15. In section 309 of the Code of Criminal Procedure, in sub-section (1), in the proviso, for the words, figures and letters "section 376A, section 376B, section 376C or section 376D of the Indian Penal Code, the inquiry or trial shall, as far as possible", the words, figures and letters "section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA or section 376DB of the Indian Penal Code, the inquiry or trial shall" shall be substituted.

Amendment to section 309.

16. In section 327 of the Code of Criminal Procedure, in sub-section (2), for the words, figures and letters "section 376A, section 376B, section 376C, section 376D", the words, figures and letters "section 376A, section 376AB, section

Amendment to section 327.

376B, section 376C, section 376D, section 376DA, section 376DB” shall be substituted.

Amendment to section 357B.

17. In section 357B of the Code of Criminal Procedure, for the words, figures and letters “under section 326A or section 376D of the Indian Penal Code”, the words, figures and letters “under section 326A, section 376AB, section 376D, section 376DA and section 376DB of the Indian Penal Code” shall be substituted.

45 of 1860.

Amendment to section 357C.

18. In section 357C of the Code of Criminal Procedure, for the figures and letters “376A, 376B, 376C, 376D”, the figures and letters “376A, 376AB, 376B, 376C, 376D, 376DA, 376DB” shall be substituted.

Amendment of section 374.

19. In section 374 of the Code of Criminal Procedure, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) When an appeal has been filed against a sentence passed under section 376, section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB or section 376E of the Indian Penal Code, the appeal shall be disposed of within a period of six months from the date of filing of such appeal.”.

Amendment of section 377.

20. In section 377 of the Code of Criminal Procedure, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) When an appeal has been filed against a sentence passed under section 376, section 376A, section 376AB, section 376B, section 376C, section 376D, section 376DA, section 376DB or section 376E of the Indian Penal Code, the appeal shall be disposed of within a period of six months from the date of filing of such appeal.”.

Amendment of section 438.

21. In section 438 of the Code of Criminal Procedure, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Nothing in this section shall apply to any case involving the arrest of any person on accusation of having committed an offence under sub-section (3) of section 376 or section 376AB or section 376DA and section 376DB of the Indian Penal Code.”.

Amendment of section 439.

22. In section 439 of the Code of Criminal Procedure,—

(a) in sub-section (1), after the first proviso, the following

proviso shall be inserted, namely:—

45 of 1860.

“Provided further that the High Court or the Court of Session shall, before granting bail to a person who is accused of an offence triable under sub-section (3) of section 376 or section 376AB or section 376DA or section 376DB of the Indian Penal Code, give notice of the application for bail to the Public Prosecutor within a period of fifteen days from the date of receipt of the notice of such application.”;

(b) after sub-section (1), the following sub-section shall be inserted, namely:—

45 of 1860.

“(1A) The presence of the informant or any person authorised by him shall be obligatory at the time of hearing of the application for bail to the person under sub-section (3) of section 376 or section 376A or section 376DA or section 376DB of the Indian Penal Code.”.

23. In the First Schedule to the Code of Criminal Procedure, under the heading “I.-OFFENCES UNDER THE INDIAN PENAL CODE”,—

Amendment of First Schedule.

(a) against section 376,—

(i) for the entry under column 3, the following entries shall be substituted, namely:—

1	2	3	4	5	6
		“Rigorous imprisonment of not less than 10 years but which may extend to imprisonment for life and with fine”;			

(ii) the following entries shall be inserted at the end, namely:—

1	2	3	4	5	6
	“Persons committing offence of rape on a	Rigorous imprisonment for a term which shall	Cognizable	Non-bailable	Court of Session.”;

	woman under sixteen years of age.	not be less than 20 years but which may extend to imprisonment for life, which shall mean imprisonment for the remainder of that person's natural life and with fine.			
--	-----------------------------------	---	--	--	--

(b) after the entries relating to section 376A, the following entries shall be inserted, namely:—

1	2	3	4	5	6
"376AB	Person committing an offence of rape on a woman under twelve years of age.	Rigorous imprisonment of not less than 20 years but which may extend to imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine or with death.	Cognizable	Non-bailable	Court of Session.;"

(c) after the entries relating to section 376D, the following entries shall be inserted, namely:—

1	2	3	4	5	6
"376DA	Gang rape on a woman under sixteen years of age.	Rigorous imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine.	Cognizable	Non-bailable	Court of Session.

1	2	3	4	5	6
376DB	Gang rape on woman under twelve years of age.	Imprisonment for life which shall mean imprisonment for the remainder of that person's natural life and with fine or with death.	Cognizable	Non-bailable	Court of Session.”.

CHAPTER V

AMENDMENT TO THE PROTECTION OF CHILDREN FROM SEXUAL OFFENCES ACT, 2012

24. In section 42 of the Protection of Children from Sexual Offences Act, 2012, for the figures and letters “376A, 376C, 376D”, the figures and letters “376A, 376AB, 376B, 376C, 376D, 376DA, 376DB” shall be substituted.

Amendment of section 42 of Act No.32 of 2012.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

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MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 3rd May, 2018/Vaisakha 13, 1940 (Saka)

THE COMMERCIAL COURTS, COMMERCIAL DIVISION AND COMMERCIAL APPELLATE DIVISION OF HIGH COURTS (AMENDMENT) ORDINANCE, 2018

No 3 OF 2018

Promulgated by the President in the Sixty-ninth Year of
the Republic of India.

An Ordinance to amend the Commercial Courts, Commercial
Division and Commercial Appellate Division of High
Courts Act, 2015.

WHEREAS Parliament is not in session and the President is
satisfied that circumstances exist which render it necessary for
him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by
clause (1) of article 123 of the Constitution, the President is
pleased to promulgate the following Ordinance:—

1. (1) This Ordinance may be called the Commercial Courts,
Commercial Division and Commercial Appellate Division of
High Courts (Amendment) Ordinance, 2018.

Short title and
commencement.

(2) Save as otherwise provided, it shall come into force at
once.

- Amendment of long title. of **2.** In the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (hereinafter referred to as the principal Act), in the long title, after the words “Commercial Courts”, the words “, Commercial Appellate Courts” shall be inserted. 4 of 2016.
- Amendment of section 1. of **3.** In section 1 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—
- “(1) This Act may be called the Commercial Courts Act, 2015.”.
- Amendment of section 2. of **4.** In section 2 of the principal Act, in sub-section (1),—
- (I) clause (a) shall be renumbered as clause (aa) thereof, and before clause (aa) as so renumbered, the following clause shall be inserted, namely:—
- ‘(a) “Commercial Appellate Courts” means the Commercial Appellate Courts designated under section 3A;’;
- (II) in clause (i), for the words “which shall not be less than one crore rupees”, the words “which shall not be less than three lakh rupees” shall be substituted.
- Substitution of Chapter heading. of **5.** In the principal Act, in Chapter II, for the Chapter heading, the following Chapter heading shall be substituted, namely:—
- “COMMERCIAL COURTS, COMMERCIAL APPELLATE COURTS, COMMERCIAL DIVISIONS AND COMMERCIAL APPELLATE DIVISIONS”.
- Amendment of section 3. of **6.** In section 3 of the principal Act,—
- (a) in sub-section (1), for the proviso, the following provisos shall be substituted, namely:—
- “Provided that with respect to the High Courts having ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, by notification, constitute Commercial Courts at the District Judge level:
- Provided further that with respect to a territory over which the High Courts have ordinary original civil jurisdiction, the State Government may, by notification, specify such pecuniary value which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts, as it may consider necessary.”;

(b) after sub-section (1), the following sub-section shall be inserted, namely: —

“(1A) Notwithstanding anything contained in this Act, the State Government may, after consultation with concerned High Court, by notification, specify such pecuniary value which shall not be less than three lakh rupees or such higher value, for whole or part of the State, as it may consider necessary.”;

(c) in sub-section(3), —

(i) for the words “State Government shall”, the words “State Government may” shall be substituted;

(ii) for the words “Commercial Court,from amongst the cadre of Higher Judicial Service in the State”, the following words shall be substituted, namely:—

“Commercial Court either at the level of District Judge or a court below the level of a District Judge.”.

7. After section 3 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 3A.

“3A. Exceptthe territories over which the High Courts have ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, by notification, designate such number of Commercial Appellate Courts at District Judge level, as it may deem necessary, for the purposes of exercising the jurisdiction and powers conferred on those Courts under this Act.”.

Designation of Commercial Appellate Courts.

8. In section 4 of the principal Act,in sub-section (1), for the words “ordinary civil jurisdiction”, the words “ordinary original civil jurisdiction” shall be substituted.

Amendment of section 4.

9. Section 9 of the principal Act shall be omitted.

Omission of section 9.

10. In section 12 of the principal Act, in sub-section (1),—

Amendment of section 12.

(i) in clause (c), after the words “Specified Value;”, the word “and” shall be inserted;

(ii) in clause (d), the word “and”, occurring at the end, shall be omitted;

(iii) clause (e) shall be omitted.

Insertion of new Chapter IIIA. **11.** After Chapter III of the principal Act, the following Chapter shall be inserted, namely:—

“CHAPTER IIIA

PRE-INSTITUTION MEDIATION AND SETTLEMENT

Pre-Institution
Mediation and
Settlement.

12A. (1) A suit, which does not contemplate any urgent interim relief under this Act, shall not be instituted unless the plaintiff exhausts the remedy of pre-institution mediation in accordance with such manner and procedure as may be prescribed by rules made by the Central Government.

(2) The Central Government may, by notification, authorise the Authorities constituted under the Legal Services Authorities Act, 1987, for the purposes of pre-institution mediation. 39 of 1987.

(3) Notwithstanding anything contained in the Legal Services Authorities Act, 1987, the Authority authorised by the Central Government under sub-section (2) shall complete the process of mediation within a period of three months from the date of application made by the plaintiff under sub-section (1): 39 of 1987.

Provided that the period of mediation may be extended for a further period of two months with the consent of the parties:

Provided further that, the period during which the parties remained occupied with the pre-institution mediation, such period shall not be computed for the purpose of limitation under the Limitation Act, 1963. 36 of 1963.

(4) If the parties to the commercial dispute arrive at a settlement, the same shall be reduced into writing and shall be signed by the parties to the dispute and the mediator.

(5) The settlement arrived at under this section shall have the same status and effect as if it is an arbitral award on agreed terms under sub-section (4) of section 30 of the Arbitration and Conciliation Act, 1996.”. 26 of 1996.

Amendment of section 13. **12.** In section 13 of the principal Act, for sub-section (1), the following shall be substituted, namely:—

“(1) Any person aggrieved by the judgment or order of a Commercial Court below the level of a District Judge

may appeal to the Commercial Appellate Court within a period of sixty days from the date of judgment or order.

(1A) Any person aggrieved by the judgment or order of a Commercial Court at the level of District Judge exercising original civil jurisdiction or, as the case may be, Commercial Division of a High Court may appeal to the Commercial Appellate Division of that High Court within a period of sixty days from the date of the judgment or order:

Provided that an appeal shall lie from such orders passed by a Commercial Division or a Commercial Court that are specifically enumerated under Order XLIII of the Code of Civil Procedure, 1908 as amended by this Act and section 37 of the Arbitration and Conciliation Act, 1996.”.

5 of 1908.
26 of 1996.

13. In section 14 of the principal Act, for the words “Commercial Appellate Division”, the words “Commercial Appellate Court and the Commercial Appellate Division” shall be substituted. Amendment of section 14.

14. In section 15 of the principal Act, in sub-section (4), for the words, figures and letter “with Order XIV-A”, the words, figures and letters “with Order XV-A” shall be substituted. Amendment of section 15.

15. In section 17 of the principal Act, for the words “Commercial Courts” and “Commercial Court”, wherever they occur, the words “Commercial Courts, Commercial Appellate Courts” shall be substituted. Amendment of section 17.

16. In section 20 of the principal Act, for the words “Commercial Court”, the words “Commercial Courts, Commercial Appellate Courts” shall be substituted. Amendment of section 20.

17. After section 21 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 21A.

“21A. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act. Power of Central Government to make rules.

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

(a) the manner and procedure of pre-institution mediation under sub-section (1) of section 12A;

(b) any other matter which is required to be, or may be, prescribed or in respect of which provision is to be made by rules made by the Central Government.

(3) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session, or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.”.

Amendment of
Schedule.

18. In the Schedule to the principal Act,—

(i) in Paragraph 4, in sub-paragraph (D), in item (iv),—

(a) in the opening portion, the words “after the first proviso,” shall be omitted;

(b) for the words “Provided further that”, the words “Provided that” shall be substituted;

(ii) in paragraph 11, for the words “Commercial Court”, the words “Commercial Court, Commercial Appellate Court” shall be substituted;

(iii) after paragraph 11, the following shall be inserted and shall be deemed to have been inserted with effect from the 23rd October, 2015, namely:—

“12. After Appendix H, the following Appendix shall be inserted, namely:—

‘APPENDIX-I

STATEMENT OF TRUTH

(Under First Schedule, Order VI- Rule 15A and
Order XI- Rule 3)

I----- the deponent do hereby solemnly affirm and declare as under:

1. Iam the party in the above suit and competent to swear this affidavit.

2. I am sufficiently conversant with the facts of the case and have also examined all relevant documents and records in relation thereto.
3. I say that the statements made in -----paragraphs are true to my knowledge and statements made in -----paragraphs are based on information received which I believe to be correct and statements made in ---paragraphs are based on legal advice.
4. I say that there is no false statement or concealment of any material fact, document or record and I have included information that is according to me, relevant for the present suit.
5. I say that all documents in my power, possession, control or custody, pertaining to the facts and circumstances of the proceedings initiated by me have been disclosed and copies thereof annexed with the plaint, and that I do not have any other documents in my power, possession, control or custody.
6. I say that the above-mentioned pleading comprises of a total of --pages, each of which has been duly signed by me.
7. I state that the Annexures hereto are true copies of the documents referred to and relied upon by me.
8. I say that I am aware that for any false statement or concealment, I shall be liable for action taken against me under the law for the time being in force.

Place:

Date:

DEPONENT

VERIFICATION

I, do hereby declare that the statements made above are true to my knowledge.

Verified at [place] on this [date]

DEPONENT

19. Save as otherwise provided, the provisions of this Ordinance shall apply only to cases relating to commercial disputes filed on or after the date of commencement of this Ordinance.

Application of Ordinance to cases filed on or after its commencement.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 25]

नई दिल्ली, शुक्रवार, मई 18, 2018/वैशाख 28, 1940 (शक)

No. 25]

NEW DELHI, FRIDAY, MAY 18, 2018/VAISAKHA 28, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 18th May, 2018/Vaisakha 28, 1940 (Saka)

THE HOMOEOPATHY CENTRAL COUNCIL

(AMENDMENT) ORDINANCE, 2018

No. 4 OF 2018

Promulgated by the President in the Sixty-ninth Year of the
Republic of India.

An Ordinance further to amend the Homoeopathy Central
Council Act, 1973.

WHEREAS Parliament is not in session and the President is
satisfied that circumstances exist which render it necessary for
him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by
clause (1) of article 123 of the Constitution, the President is
pleased to promulgate the following Ordinance:—

1. (1) This Ordinance may be called the Homoeopathy
Central Council (Amendment) Ordinance, 2018.

Short title and
commencement.

(2) It shall come into force at once.

Insertion of new sections 3A, 3B and 3C.

2. In the Homoeopathy Central Council Act, 1973, (herein after referred to as the principal Act), after section 3, the following sections shall be inserted, namely:—

59 of 1973.

Power of Central Government to supersede the Central Council and to constitute a Board of Governors.

“3A. (1) On and from the date of commencement of the Homoeopathy Central Council (Amendment) Ordinance, 2018, the Central Council shall stand superseded and the President, Vice-President and other members of the Central Council shall vacate their offices and shall have no claim for any compensation, whatsoever.

(2) The Central Council shall be reconstituted in accordance with the provisions of section 3 within a period of one year from the date of supersession of the Central Council under sub-section (1).

(3) Upon the supersession of the Central Council under sub-section (1) and until a new Council is constituted in accordance with section 3, the Board of Governors constituted under sub-section (4) shall exercise the powers and perform the functions of the Central Council under this Act.

(4) The Central Government shall, by notification in the Official Gazette, constitute the Board of Governors which shall consist of not more than seven persons as its members, who shall be persons of eminence and of unimpeachable integrity in the fields of Homoeopathy and Homoeopathy education, and eminent administrators, and who may be either nominated members or members, *ex officio* to be appointed by the Central Government, one of whom shall be selected by the Central Government as the Chairperson of the Board of Governors.

(5) The Chairperson and the other members, other than the members, *ex officio*, shall be entitled to such sitting fee and travelling and other allowances as may be determined by the Central Government.

(6) The Board of Governors shall meet at such time and such places and shall observe such rules of procedure in regard to the transaction of business at its meetings as is applicable to the Central Council.

(7) Two-third of the members of the Board of Governors shall constitute the quorum of its meetings.

(8) No act or proceedings of the Board of Governors shall be invalid merely by reason of—

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

(b) any irregularity in the procedure of the Board of Governors not affecting the merits of the case.

(9) A member having any financial or other interest in any matter coming before the Board of Governors for decision, shall disclose his interest in the matter before he may, if allowed by the Board of Governors, participate in such proceedings.

(10) The Chairperson and other members of the Board of Governors shall hold office during the pleasure of the Central Government.

3B. During the period when the Central Council stands superseded, —

Certain modifications of the Act.

(a) the provisions of the Act shall be construed as if for the words “Central Council”, the words “Board of Governors” were substituted;

(b) the Board of Governors shall exercise the powers and discharge the functions of the Central Council under this Act and for this purpose, the provisions of this Act shall have effect subject to the modification that references therein to the Central Council shall be construed as references to the Board of Governors.

3C. (1) Without prejudice to the provisions of this Act, the Board of Governors or the Central Council after its reconstitution shall, in exercise of its powers and in the performance of its functions under this Act, be bound by such directions on question of policy, other than those relating to technical and administrative matters, as the Central Government may give in writing to it from time to time:

Power of Central Government to give directions.

Provided that the Board of Governors or the Central Council, after its reconstitution shall, as far as practicable, be given an opportunity to express its view before any direction is given under this sub-section.

(2) The decision of the Central Government whether a question is a matter of policy or not shall be final.”.

Insertion of new section 12C.

3. After section 12B of the principal Act, the following section shall be inserted, namely:—

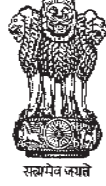
Time for seeking permission for certain existing medical colleges.

“12C. (1) If any person has established a Homoeopathy Medical College or any Homoeopathy Medical College has opened a new or higher course of study or training or increased the admission capacity on or before the date of commencement of the Homoeopathy Central Council (Amendment) Ordinance, 2018, such person or Homoeopathy Medical College, as the case may be, shall seek, within a period of one year from the said commencement, permission of the Central Government, in accordance with the provisions specified in the regulations made by the Central Council.

(2) If any person or Homoeopathy Medical College, as the case may be, fails to seek permission under sub-section (1), the provisions of section 12B shall apply, as far as may be, as if the Central Government has been refused.”.

RAM NATH KOVIND,
President.

DR. REETA VASISHTA,
Additional Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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नई दिल्ली, बृहस्पतिवार, मई 31, 2018/ज्येष्ठ 10, 1940 (शक)

No. 26]

NEW DELHI, THURSDAY, MAY 31, 2018/JYAISTHA 10, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 31st May, 2018/Jyaistha 10, 1940 (Saka)

THE NATIONAL SPORTS UNIVERSITY ORDINANCE, 2018

No. 5 OF 2018

Promulgated by the President in the Sixty-ninth Year of the
Republic of India.

An Ordinance to establish and incorporate a National Sports University in the State of Manipur, a specialised University first of its kind, to promote sports education in the areas of sports sciences, sports technology, sports management and sports coaching besides functioning as the national training centre for select sports disciplines by adopting best international practices and for matters connected therewith or incidental thereto.

WHEREAS, the National Sports University Bill, 2017 was introduced in the House of the People and is pending in the House of the People;

AND WHEREAS, Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance: —

1. (1) This Ordinance may be called the National Sports University Ordinance, 2018. Short title,
extent and
commencement.
- (2) It extends to the whole of India.
- (3) It shall come into force at once.
2. In this Ordinance, unless the context otherwise requires,- Definitions.
- (a) “Academic and Activity Council” means the Academic and Activity Council of the University;
- (b) “academic staff” means such categories of staff as are designated as academic staff by the Ordinances;
- (c) “Board of Sports Studies” means the Board of Sports Studies of a Department of the University;
- (d) “Chancellor” means the Chancellor of the University;
- (e) “College” means a college or other academic institution established or maintained by, or admitted to the privileges of, the University;
- (f) “Court” means the Court of the University;
- (g) “Department” means a Department of Studies and includes a Centre of Studies;
- (h) “employee” means any person appointed by the University and includes teachers and other staff of the University;
- (i) “Executive Council” means the Executive Council of the University;
- (j) “Finance Committee” means the Finance Committee of the University;
- (k) “Fund” means the University Fund referred to in section 30;
- (l) “Hall” means a unit of residence or of corporate life for the students of the University, or of an Outlying Campus or of a College or an Institution, maintained by the University;
- (m) “Head of the Department” means the head of any teaching department of the University;
- (n) “Institution” means an academic institution, not being a College, maintained by, or admitted to the privileges of, the

University;

(o) "Outlying Campus" means the campus of the University as may be established by it at any place within or outside India;

(p) "Principal" means the Head of a College or an Institution maintained by the University and includes, where there is no Principal, the person for the time being duly appointed to act as Principal, and in the absence of the Principal, or the acting Principal, a Vice-Principal duly appointed as such;

(q) "Regional Centre" means a centre established or maintained by the University for the purpose of coordinating and supervising the work of Study Centres in any region and for performing such other functions as may be conferred on such centre by the Executive Council;

(r) "Regulations" means the regulations made by any authority of the University under this Ordinance for the time being in force;

(s) "School" means a School of Studies of the University;

(t) "section" means the section of this Ordinance;

(u) "State" includes a Union territory;

(v) "Statutes" and "Ordinances" mean, respectively, the Statutes and the Ordinances of the University for the time being in force;

(w) "Study Centre" means a centre established, maintained or recognised by the University for the purpose of advising, counselling, training or for rendering any other assistance required by the students;

(x) "teachers of the University" means Professors, Associate Professors, Assistant Professors and such other persons as may be appointed for imparting instructions, training or conducting research in the University or in any Outlying Campus, College or Institution or Regional Centres and Study Centres maintained by the University and are designated as teachers by the Ordinances;

(y) "University" means the National Sports University established and incorporated as a University under this Ordinance;

(z) "Vice-Chancellor" means the Vice-Chancellor of the

University;

Establishment
of University.

3. (1) There shall be established a University by the name of “National Sports University”.

(2) The headquarters of the University shall be in the State of Manipur and it may establish or maintain Outlying Campuses, Colleges, Regional Centres and Study Centres at such other places in India as it may deem fit:

Provided that the University may, with the prior approval of the Central Government, also establish Outlying Campuses and Study Centres outside India.

(3) The first Chancellor, the first Vice-Chancellor and the first members of the Court, the Executive Council and the Academic and Activity Council, and all such persons who may hereafter become such officers or members, so long as they continue to hold such office or membership, are hereby constituted a body corporate by the name of “National Sports University”.

(4) The University shall have perpetual succession and a common seal, and shall sue and be sued by the said name.

Objects of
University.

4. The objects of the University shall be—

(i) to evolve as an institute of advanced study in the field of physical education and sports sciences;

(ii) to provide for research and development and dissemination of knowledge in physical education and sports sciences by providing specially designed academic and training programmes in various areas of physical education and sports sciences and training in advanced technologies of sports;

(iii) to strengthen physical education and sports training programmes to promote sports including traditional and tribal sports and games;

(iv) to establish centres and institutions of excellence for imparting state of the art educational training and research in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(v) to provide professional and academic leadership to other institutions in the field of physical education and sports sciences;

(vi) to provide vocational guidance and placement services in physical education, sports sciences, sports medicine, sports technology and other related fields;

(vii) to generate capabilities for the development of knowledge, skills and competences at various levels in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(viii) to generate capabilities to provide infrastructure of international standard for education, training and research in the areas related to physical education and sports sciences, sports technology and high performance training for all sports and games;

(ix) to prepare highly qualified professionals in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(x) to serve as a Centre of Excellence for the elite and other talented sportspersons of all sports and games and innovation in physical education and sports sciences and to carry out, endorse and propagate research;

(xi) to function as a leading resource centre for knowledge and development in the areas of physical education and sports sciences, sports technology and high performance training for all sports and games;

(xii) to provide international collaboration in the fields of physical education and sports sciences, sports technology and high performance training for all sports and games;

(xiii) to establish close linkage with sports academies, schools, colleges, sports and recreation clubs, sports associations and international federations for the purpose of teaching, training and research in physical education and sports sciences, sports technology and high performance training for all sports and games;

(xiv) to train talented athletes so as to help them to evolve into elite athletes of international level;

(xv) to make India become a sporting power;

(xvi) such other objects, not inconsistent with the provisions of this Ordinance, which the Central Government may, by

notification in the Official Gazette, specify in this behalf.

Powers and
functions of
University.

5. (1) The University shall have the following powers and functions, namely:—

(i) to plan, design, develop and prescribe courses of study and conduct appropriate academic and training programmes in physical education and sports sciences including sports technology and to provide for instruction and training in such branches of learning as the University may, from time to time, determine and to make provisions for research and for the advancement and dissemination of knowledge;

(ii) to grant, subject to such conditions as the University may determine, diplomas or certificates to, and confer degrees or other academic distinctions on, persons, on the basis of examinations, evaluation or any method of testing, and to withdraw any such diplomas, certificates, degrees or other academic distinctions for good and sufficient cause;

(iii) to provide opportunities to the students of the University to participate in the sports tournaments and competitions in co-ordination with established International Sports Federations, National Sports Federations, Indian Olympic Association and Association of Indian Universities;

(iv) to have liaison or membership with various international professional organisations or bodies;

(v) to establish and maintain, with the prior approval of the Central Government, such Outlying Campuses, Regional Centres, specialised laboratories or other units for research, instruction and training as are, in the opinion of the University, necessary for the furtherance of its objects;

(vi) to establish, maintain or recognise Study Centres in the manner laid down by the Statutes;

(vii) to establish and maintain Colleges, institutions and Halls;

(viii) to confer honorary degrees or other distinctions in the manner prescribed by the Statutes;

(ix) to institute Principalships, Professorships, Associate Professorships, Assistant Professorships and other teaching or academic positions, required by the University and to appoint persons to such Principalships, Professorships, Associate

Professorships, Assistant Professorships or other teaching or academic positions;

(x) to appoint persons working in any University or academic institution, including those located outside the country, as teachers of the University for a specified period;

(xi) to create administrative, ministerial and other posts and to make appointments thereto;

(xii) to co-operate or collaborate or associate with any other University or authority or institution of higher learning, including those located outside the country, in such manner and for such purposes as the University, may determine;

(xiii) to provide facilities through the distance education system to such persons and in such manner as may be prescribed by the Statutes;

(xiv) to institute and award fellowships, scholarships, studentship, medals and prizes for raising academic standards and research;

(xv) to organise and to undertake extramural studies, training and extension services;

(xvi) to make provision for research and advisory services and for that purpose, to enter into such arrangements with other institutions, industrial or other organisations, as the University may deem necessary;

(xvii) to organise and conduct refresher courses, workshops, seminars and other programmes for teachers, evaluators, other academic staff and students;

(xviii) to appoint on contract or otherwise visiting Professors, Emeritus Professors, Consultants and such other persons who may contribute to the advancement of the objects of the University;

(xix) to determine standards of admission to the University, which may include examination, evaluation or any other method of testing;

(xx) to demand and receive payment of fees and other charges;

(xxi) to supervise the residences of the students of the University and to make arrangements for

promoting their health and general welfare;

(xxii) to lay down conditions of services of all categories of employees, including their code of conduct;

(xxiii) to regulate and enforce discipline among the students and the employees, and to take such disciplinary measures in this regard as may be deemed by the University to be necessary;

(xxiv) to make arrangements for promoting the health and general welfare of the employees;

(xxv) to receive benefactions, donations and gifts and to acquire, hold and manage, and to dispose of, with the previous approval of the Central Government, any property, movable or immovable, including trust and endowment properties, for the purposes of the University;

(xxvi) to borrow, with the previous approval of the Central Government, on the security of the property of the University, money for the purposes of the University; and

(xxvii) to conduct innovative experiments and promote new methods and technologies in the fields of physical education, sports sciences, sports medicine, sports technology, sports management and other related fields;

(xxviii) to purchase or to take on lease any land or building or sports complex or sports infrastructure and scientific sports research equipment or indoor stadium or works which may be necessary or convenient for the purposes of the University, on such terms and conditions as it may think fit and proper and to construct, alter and maintain any such building or work;

(xxix) to start any new allied course or research programme or diploma or training programme and discontinue any course or training programme;

(xxx) to invest the funds of the University in or upon such securities and transpose any investment from time to time in such manner as it may deem fit in the interest of the University;

(xxxi) to execute conveyances regarding transfers, mortgages, leases, licenses, agreements and other

conveyances in respect of the property, movable or immovable, including Government securities, belonging to the University or to be acquired for the purposes of the University, after taking prior permission of the Central Government;

(xxxii) to act as a technical advisory body to Government of India and other National Organisations, State Governments and National Sports Federations on all matters related to sports.

(xxxiii) to provide training, coaching and other back up to high level sports persons for achieving success in different national and international sports competitions;

(xxxiv) to give effect to the procedures and standards provided under the Khelo India Scheme or the National Sports Talent Search and Identification Scheme;

(xxxv) to confer autonomous status on a College or an Institution in the manner laid down by the Statutes;

(xxxvi) to admit to its privileges any College or Institution in or outside India subject to such conditions as may be laid down by the Statutes:

Provided that no College or Institution shall be so admitted except with the prior approval of the Central Government;

(xxxvii) to provide for the preparation of instructional and training materials, including films, cassettes, tapes, video cassettes and other software;

(xxxviii) to recognise persons for imparting instructions in any College or Institution admitted to the privileges of the University; and

(xxxix) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of its objects.

(2) The University shall in the exercise of its powers have jurisdiction over the whole of India and to the Outlying Campuses and Study Centres outside India.

(3) In exercising its powers referred to in sub-section (1), it shall be the endeavour of the University to maintain an all-India character and high standards of teaching, training and research, and the University shall, among other measures which may be

necessary for the said purpose, take, in particular, the following measures, namely;-

(i) admissions of students and recruitment of faculty shall be made on all-India basis through appropriate procedures approved by the Executive Council of the University;

(ii) foreign students shall be admitted by the University to various courses and programmes as per the policy and schemes of the Government of India and the procedure approved by the Executive Council of the National Sports University;

(iii) inter-University mobility of faculty with portable pension scheme benefits, if any, and protection of seniority shall be encouraged;

(iv) semester system, continuous evaluation and choice-based credit system shall be introduced and the University shall enter into agreement with other Universities and academic institutions for credit transfer and joint degree programmes;

(v) innovative courses and programmes of studies shall be introduced with a provision for periodic review and restructuring;

(vi) active participation of students shall be ensured in all academic activities of the University, including evaluation of teachers;

(vii) accreditation shall be obtained from the National Assessment and Accreditation Council or any other accrediting agency at the national level; and

(viii) e-governance shall be introduced with effective management information.

University to be open to all castes, creed, race or class.

6. The University shall be open to persons of any sex and of whatever caste, creed, race or class, and it shall not be lawful for the University to adopt or impose on any person, any test whatsoever of religious belief or profession in order to entitle such person to be appointed as a teacher of the University or to hold any other office therein or to be admitted as a student in the University or to graduate thereat or to enjoy or exercise any privilege thereof:

Provided that nothing in this section shall be deemed to prevent the University from making special provisions for the

employment or admission of women, persons with disabilities or of persons belonging to the weaker sections of the society and, in particular, of the Scheduled Castes, the Scheduled Tribes and the other socially and educationally backward classes of citizens:

Provided further that no such special provision shall be made on the ground of domicile.

Central
Government to
review work and
progress of
University.

7. (1) The Central Government may, from time to time, appoint one or more persons to review the work and progress of the University, including Outlying Campuses, Colleges Institutions, Regional Centres and Study Centres maintained by it, and to submit a report thereon; and upon receipt of that report, the Central Government may, after obtaining the views of the Executive Council thereon through the Vice-Chancellor, take such action and issue such directions, as it considers necessary, in respect of any of the matters dealt with in the report and the University shall abide by such action and be bound to comply with such directions.

(2) The Central Government shall have the right to cause an inspection to be made by such person or persons, as it may direct, of the University, its buildings, sports complexes, libraries, laboratories and equipment, and of any Outlying Campus or College or Institution or Regional Centres or Study Centres maintained by the University; and also of the examinations, teaching and other work conducted or done by the University and to cause an inquiry to be made in like manner in respect of any matter connected with the administration or finances of the University, Colleges or Institutions or Regional Centres or Study Centres.

(3) The Central Government shall, in every matter referred to in sub-section (2), give notice of its intention to cause an inspection or inquiry to be made, to the University, and the University shall have the right to make such representations to the Central Government, as it may consider necessary.

(4) After considering the representations, if any, made by the University, the Central Government may cause to be made such inspection or inquiry as is referred to in sub-section(3).

(5) Where any inspection or inquiry has been caused to be made by the Central Government, the University shall be entitled to appoint a representative, who shall have the right to be present

and be heard at such inspection or inquiry.

(6) The Central Government may, if the inspection or inquiry is made in respect of the University or any Outlying Campus or College or Institution or Regional Centre or Study Centre established or maintained by it, address the Vice-Chancellor with reference to the result of such inspection or inquiry together with such views and advice with regard to the action to be taken thereon, as the Central Government may be pleased to offer, and on receipt of address made by the Central Government, the Vice-Chancellor shall communicate to the Executive Council the views of the Central Government with such advice as the Central Government may offer upon the action to be taken thereon.

(7) The Executive Council shall communicate through the Vice-Chancellor to the Central Government such action, if any, as it proposes to take or has been taken upon the result of such inspection or inquiry.

(8) Where, the Executive Council does not, within a reasonable time, take action to the satisfaction of the Central Government, it may, after considering any explanation furnished or representation made by the Executive Council, issue such directions, as it may think fit, and the Executive Council shall comply with such directions.

(9) Without prejudice to the foregoing provisions of this section, the Central Government may, by order in writing, annul any proceeding of the University which is not in conformity with the provisions of this Ordinance or the Statutes or the Ordinances:

Provided that before making any such order, the Central Government shall call upon the Vice-Chancellor to show cause why such an order should not be made, and, if any cause is shown within a reasonable time, it shall consider the same.

(10) The Central Government shall have such other powers, in respect of the affairs of the University, as may be prescribed by the Statutes.

Officers of
University.

8. The following shall be the officers of the University, namely:-

- (a) the Chancellor;
- (b) the Vice-Chancellor;
- (c) the Deans of Schools;
- (d) the Registrar;

- (e) the Finance Officer;
- (f) the Controller of Examinations ;
- (g) the Librarian; and
- (h) such other officers as may be declared by the Statutes to be the officers of the University.

Chancellor.

9. (1) The Chancellor shall be appointed by the Central Government in such manner as may be prescribed by the Statues.

(2) The Chancellor shall, by virtue of his office, be the head of the University and shall, if present, preside at the Convocations of the University held for conferring degrees and other ceremonial functions and also the meetings of the Court.

Vice-Chancellor.

10. (1) The Vice-Chancellor shall be appointed by the Central Government in such manner as may be prescribed by the Statutes.

(2) The Vice-Chancellor shall be the principal executive and academic officer of the University and shall exercise general supervision and control over the affairs of the University and give effect to the decisions of all the authorities of the University.

(3) The Vice-Chancellor may, if he is of the opinion that immediate action is necessary on any matter, exercise any power conferred on any authority of the University by or under this Ordinance and shall apprise such authority at its next meeting the action taken by him on such matter:

Provided that if the authority concerned is of the opinion that such action ought not to have been taken, it may refer the matter to the Central Government whose decision thereon shall be final:

Provided further that any person in the service of the University who is aggrieved by the action taken by the Vice-Chancellor under this sub-section shall have the right to represent against such action to the Executive Council within three months from the date on which decision on such action is communicated to him and thereupon the Executive Council may confirm, modify or reverse the action taken by the Vice-Chancellor.

(4) Where the Vice-Chancellor is of the opinion that any decision taken by any authority of the University is beyond the powers of the authority conferred under the provisions of this Ordinance or the Statutes or the Ordinances, or that any decision taken by the authority is not in the interest of the University, he may ask the authority concerned to review its decision within

sixty days of such decision and if the authority refuses to review the decision either in whole or in part or no decision is taken by it within the said period of sixty days, the matter shall be referred to the Central Government whose decision thereon shall be final.

(5) The Vice-Chancellor shall exercise such other powers and perform such other duties as may be prescribed by the Statutes or the Ordinances.

Deans of
Schools.

11. Every Dean of School shall be appointed in such manner, and on such terms and conditions of service, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

Registrar.

12. (1) The Registrar shall be appointed in such manner, and on such terms and conditions of service, as may be prescribed by the Statutes.

(2) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

Finance Officer.

13. The Finance Officer shall be appointed in such manner, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

Controller of
Examinations.

14. Controller of Examinations shall be appointed in such manner and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

Librarian.

15. The Librarian shall be appointed in such manner and on such terms and conditions of service, and shall exercise such powers and perform such duties, as may be prescribed by the Statutes.

Other officers.

16. The manner of appointment and powers and duties of other officers of the University shall be prescribed by the Statutes.

Authorities of
University.

17. The following shall be the authorities of the University, namely:-

- (a) the Court;
- (b) the Executive Council;
- (c) the Academic and Activity Council;
- (d) the Board of Sports Studies;
- (e) the Finance Committee;

(f) such other authorities as may be declared by the Statutes to be the authorities of the University.

The Court.

18. (1) The constitution of the Court and the term of office of its members shall be prescribed by the Statutes:

(2) Subject to the provisions of this Ordinance, the Court shall have the following powers and functions, namely:-

(a) to review, from time to time, the broad policies and programmes of the University, and to suggest measures for the improvement and development of the University;

(b) to consider and pass resolutions on the annual report and the annual accounts of the University and the audit report on such accounts;

(c) to advise the Central Government in respect of any matter which may be referred to it for advice; and

(d) to perform such other functions as may be prescribed by the Statutes.

Executive Council.

19. (1) The Executive Council shall be the principal executive body of the University.

(2) The constitution of the Executive Council, the term of office of its members and its powers and functions shall be prescribed by the Statutes.

Academic and Activity Council.

20. (1) The Academic and Activity Council shall be the principal academic body of the University and shall, subject to the provisions of this Ordinance, the Statutes and the Ordinances, co-ordinate and exercise general supervision over the academic policies of the University.

(2) The constitution of the Academic and Activity Council, the term of office of its members and its powers and functions shall be prescribed by the Statutes:

Provided that the Academic and Activity Council shall have sports persons who have achieved distinction in Olympics or world championships.

Board of Sports Studies.

21. The constitution, powers and functions of the Board of Sports Studies shall be prescribed by the Statutes.

Finance Committee.

22. The constitution, powers and functions of the Finance Committee shall be prescribed by the Statutes.

Other
authorities of
University.

23. The constitution, powers and functions of other authorities, as may be declared by the Statutes to be the authorities of the University, shall be prescribed by the Statutes.

Power to make
Statutes.

24. Subject to the provisions of this Ordinance, the Statutes may provide for all or any of the following matters, namely:-

- (a) the constitution, powers and functions of authorities and other bodies of the University, as may be constituted from time to time;
- (b) the appointment and continuance in office of the members of the said authorities and bodies, the filling up of vacancies of members, and all other matters relating to those authorities and other bodies for which it may be necessary or desirable to provide;
- (c) the appointment, powers and duties of the officers of the University and their emoluments;
- (d) the appointment of teachers, academic staff and other employees of the University, the emoluments and conditions of service;
- (e) the appointment of teachers and academic staff working in any other University or organisation for a specific period for undertaking a joint project;
- (f) the conditions of service of employees including provisions for pension, insurance, provident fund, the manner of termination of service and disciplinary action;
- (g) the principles governing the seniority of service of the employees of the University;
- (h) the procedure for arbitration in cases of dispute between employees or students and the University;
- (i) the procedure for appeal to the Executive Council by any employee or student against the action of any officer or authority of the University;
- (j) the conferment of autonomous status on a College or an Institution or a Department;
- (k) the establishment and abolition of Schools, Departments, Centres, Halls, Colleges, Institutions, Regional Centres and Study Centres;
- (l) the conferment of honorary degrees;
- (m) the conferment and withdrawal of degrees, diplomas, certificates and other academic distinctions;
- (n) the management of Colleges, Institutions, Regional Centres and Study Centres established and maintained by the

University;

(o) the delegation of powers vested in the authorities or officers of the University;

(p) the maintenance of discipline among the employees and students; and

(q) all other matters which by this Ordinance are to be, or may be, provided for by the Statutes.

Statutes, how to be made.

25. (1) The first Statutes are those set out in the Schedule to this Ordinance.

(2) The Executive Council may, from time to time, make new or additional Statutes or may amend or repeal any Statutes referred to in sub-section(1):

Provided that the Executive Council shall not make, amend or repeal any Statutes affecting the status, powers or constitution of any authority of the University until such authority has been given an opportunity of expressing an opinion in writing on proposed changes, and any opinion so expressed shall be considered by the Executive Council.

(3) Every new Statutes or Statutes amending or repealing existing Statutes shall require the approval of the Central Government and unless so approved, they shall be invalid.

(4) Notwithstanding anything contained in the foregoing sub-sections, the Central Government may make new or additional Statutes or amend or repeal the Statutes referred to in sub-section(1) during the period of three years immediately after the commencement of this Ordinance:

Provided that the Central Government may, on the expiry of the said period of three years, make, within one year from the date of such expiry, such detailed Statutes as it may consider necessary and such detailed Statutes shall be laid before both Houses of Parliament.

(5) Notwithstanding anything contained in this section, the Central Government may direct the University to make provisions in the Statutes in respect of any matter specified by it and if the Executive Council is unable to implement such direction within sixty days of its receipt, the Central Government may, after considering the reasons, if any, communicated by the Executive Council for its inability to comply with such direction, make or amend the Statutes suitably.

Power to make Ordinances.

26. (1) Subject to the provisions of this Ordinance and the Statutes, the Ordinances may provide for all or any of the following matters, namely:-

(a) the admission of students to the University and their enrolment as such;

(b) the courses of study and their duration to be laid down for all degrees, diplomas and certificates of the University;

(c) the medium of instruction and examination;

(d) the award of degrees, diplomas, certificates and other academic distinctions, the qualifications for the same and the means to be taken relating to the granting and obtaining of the same;

(e) the fees to be charged for courses of study in the University and for admission to examinations, degrees and diplomas of the University;

(f) the conditions for award of fellowships, scholarships, studentships, medals and prizes;

(g) the conduct of examinations, including the term of office and manner of appointment and the duties of examining bodies, examiners and moderators;

(h) the conditions of residence of the students of the University;

(i) the special arrangements, if any, which may be made for the residence and teaching of women students and the prescribing of special courses of studies for them;

(j) the establishment of Centres of Studies, Board of Studies, Specialised Laboratories and other Committees;

(k) the manner of co-operation and collaboration with other Universities, institutions and other agencies including learned bodies or associations;

(l) the creation, composition and functions of any other body which is considered necessary for improving the academic life of the University;

(m) the institution of fellowships, scholarships, studentships, medals and prizes;

(n) the setting up of a machinery for redressal of

grievances of employees and students; and

(o) any other matter which, by this Ordinance or the Statutes, is to be or may be, provided for by the Ordinances.

(2) The first Ordinances shall be made by the Vice-Chancellor with previous approval of the Executive Council and the Ordinances so made may also be amended, repealed or added to at any time by the Executive Council in the manner prescribed by the Statutes.

Regulations.

27. The authorities of the University may make Regulations, consistent with this Ordinance, the Statutes and the Ordinances, for the conduct of their own business and that of the Committees, if any, appointed by them and not provided for by this Ordinance, the Statutes or the Ordinances, in the manner prescribed by the Statutes.

Annual Report.

28. (1) The annual report of the University shall be prepared under the directions of Executive Council, which shall include, among other matters, the steps taken by the University towards the fulfilment of its objects and shall be submitted to the Court on or before such date as may be prescribed by the Statutes and the Court shall consider the report in its annual meeting.

(2) The Court shall submit the annual report to the Central Government along with its comments, if any.

(3) The Central government shall, as soon as may be, cause a copy of the annual report to be laid before both the Houses of Parliament.

Annual
Accounts.

29. (1) The annual accounts and balance-sheet of the University shall be prepared under the directions of the Executive Council and shall, once at least every year and at intervals of not more than fifteen months, be audited by the Comptroller and Auditor-General of India or by such persons as he may authorise in this behalf.

(2) A copy of the annual accounts together with the audit report thereon shall be submitted to the Court and the Central Government along with the observations of the Executive Council.

(3) Any observations made by the Central Government on the annual accounts shall be brought to the notice of the Court and the observations of the Court, if any, shall, after being considered by

the Executive Council, be submitted to the Central Government.

(4) The Central Government shall, as soon as may be, cause the copy of the annual accounts together with the audit report to be laid before both the Houses of Parliament.

(5) The audited annual accounts after having been laid before both the Houses of Parliament shall be published in the Gazette of India.

Fund of
University.

30. (1) There shall be a University Fund which shall include—

(a) any contribution or grant made by the University Grants Commission or the Central Government;

(b) any contribution or grant made by the State Government;

(c) any contribution made by Government, semi-Government or autonomous bodies;

(d) any loans, gifts, bequests, donations, endowments or other grants, if any;

(e) income received by the University from fees and charges;

(f) the moneys received by the University from the collaborating industries in terms of the provisions of the Memorandum of Understanding entered between the University and the industry for the establishment of sponsored chairs, fellowships or infrastructure facilities of the University; and

(g) amounts received in any other manner from any other source.

(2) All funds of the University shall be deposited in such banks or invested in such manner as the Board may decide on the recommendation of the Finance Committee.

(3) The funds of the University shall be applied towards the expenses of the University including expenses incurred in the exercise of its powers and discharge of its functions by or under this Ordinance.

Returns and
information.

31. The University shall furnish to the Central Government such returns or other information with respect to its property or activities, within such period, as the Central Government may, from time to time, require.

Conditions of service of employees, etc.

32. (1) Every employee of the University shall be appointed under a written contract, which shall be lodged with the University and a copy of which shall be furnished to the employee concerned.

(2) Any dispute arising out of the contract between the University and any employee shall, at the request of the employee, be referred to a Tribunal of Arbitration consisting of one member appointed by the Executive Council, one member nominated by the employee concerned and an umpire appointed by the Central Government.

(3) The decision of the Tribunal shall be final and no suit shall lie in any civil court in respect of the matters decided by the Tribunal:

Provided that nothing in this sub-section shall preclude the employee from availing of judicial remedies available under articles 32 and 226 of the Constitution.

(4) Every request made by the employee under sub-section (2) shall be deemed to be a submission to arbitration upon the terms of this section within the meaning of the Arbitration and Conciliation Act, 1996.

(5) The procedure for regulating the work of the Tribunal shall be prescribed by the Statutes.

Procedure of appeal and arbitration in disciplinary cases against students.

33. (1) Any student or candidate for an examination whose name has been removed from the rolls of the University by the orders or resolution of the Vice-Chancellor, Discipline Committee or Examination Committee, as the case may be, and who has been debarred from appearing at the examinations of the University for more than one year, may, within ten days of the date of receipt of such orders or copy of such resolution by him, appeal to the Executive Council and the Executive Council may confirm, modify or reverse the decision of the Vice-Chancellor or the Committee, as the case may be.

(2) Any dispute arising out of any disciplinary action taken by the University against a student shall, at the request of such student, be referred to a Tribunal of Arbitration and the provisions of sub-sections (2), (3), (4) and (5) of section 32 shall, as far as may be, apply to a reference made under this sub-section.

Right to Appeals.

34. Every employee or student of the University or of a College or an Institution or a Regional Centre or a Study Centre

established or maintained by the University shall, notwithstanding anything contained in this Ordinance, have a right to appeal to the Executive Council within such time, as may be prescribed by the Statutes, against the decision of any officer or authority of the University, or of the Principal or the management of any College or Institution or Regional Centre or Study Centre, as the case may be, and thereupon, the Executive Council may confirm, modify or reverse the decision appealed against.

Provident and Pension Funds.

35. (1) The University shall constitute for benefit of its employees such provident fund or any other similar fund or provide such insurance schemes, as it may deem fit, in such manner and subject to such conditions, as may be prescribed by the Statutes.

(2) Where such provident fund or other similar fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 shall apply to such fund, as if it were a Government provident fund. 19 of 1925.

Disputes as to constitution of authorities and bodies.

36. If any question arises as to whether any person has been duly elected or appointed as, or is entitled to be, a member of any authority or other body of the University, the matter shall be referred to the Central Government whose decision thereon shall be final.

Filling of casual vacancies.

37. All casual vacancies among the members (other than *ex-officio* members) of any authority or other body of the University shall be filled, as soon as may be, by the person or body who appoints, elects or co-opts the member whose place has become vacant and the persons appointed, elected or co-opted to a casual vacancy shall be a member of such authority or body for the residue of the term for which the person whose place he fills would have been a member.

Proceedings of authorities or bodies not invalidated by vacancies.

38. No act or proceedings of any authority or other body of the University shall be invalid merely by reason of the existence of a vacancy or vacancies among its members.

Protection of action taken in good faith.

39. No suit or other legal proceedings shall lie against any officer or other employee of the University for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Ordinance, the Statutes or the Ordinances.

Mode of Proof of University

40. Notwithstanding anything contained in the Indian Evidence

Record. Act, 1872 or in any other law for the time being in force, a copy of 1 of 1872.
 any receipt, application, notice, order, proceeding or resolution of
 any authority or other body of the University, or any other
 document in possession of the University, or any entry in any
 register duly maintained by the University, if certified by the
 Registrar, shall be received as prima facie evidence of such
 receipt, application, notice, order, proceeding, resolution or
 document or the existence of entry in the register and shall be
 admitted as evidence of the matters and transactions therein where
 the original thereof would, if produced, have been admissible in
 evidence.

Powers to
 remove
 difficulties.

41. (1) If any difficulty arises in giving effect to the provisions of this Ordinance, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Ordinance, as appears to it to be necessary or expedient for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Ordinance.

(2) Every order made under sub-section (1) 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 order or both Houses agree that the order should not be made, the order 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 order.

Statutes,
 Ordinances and
 Regulations to
 be published in
 the Official
 Gazette and to
 be laid before
 Parliament.

42. (1) Every Statute, Ordinance or Regulation made under this Ordinance shall be published in the Official Gazette.

(2) Every Statute, Ordinance or Regulation made under this Ordinance, 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 Statute, Ordinances or Regulations or both Houses agree that the Statute, Ordinances or Regulations should not be made, the Statute, Ordinances or Regulations 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 the Statute, Ordinances or Regulations.

(3) The power to make Statutes, Ordinances or Regulations shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Ordinance, to the Statutes, Ordinances or Regulations or any of them but no retrospective effect shall be given to any Statutes, Ordinances or Regulations so as to prejudicially affect the interests of any person to whom such Statutes, Ordinances or Regulations may be applicable.

Transitional provisions.

43. Notwithstanding anything contained in this Ordinance and the Statutes,—

(a) the first Vice-Chancellor shall be appointed by the Central Government in such manner and on such conditions as may be deemed fit and the said officer shall hold office for such term, not exceeding five years, as may be specified by the Central Government;

(b) the first Registrar and the first Finance Officer shall be appointed by the Central Government and each of the said officers shall hold office for a term of three years;

(c) the first Court and the first Executive Council shall consist of not more than thirty-one members and eleven members, respectively, who shall be nominated by the Central Government and shall hold office for a term of three years; and

(d) the first Academic and Activity Council shall consist of not more than twenty-one members, who shall be nominated by the Central Government and they shall hold office for a term of three years:

Provided that if any vacancy occurs in the above offices or authorities, the same shall be filled by appointment or nomination,

as the case may be, by the Central Government and the person so appointed or nominated shall hold office for so long as the officer or member in whose place he is appointed or nominated would have held office, if such vacancy had not occurred.

THE SCHEDULE
(See section 25)

The Statutes of the University

Chancellor.

1. (1) The Chancellor shall be appointed by the Central Government from a panel of names of not less than three persons recommended by the Executive Council:

Provided that if the Central Government does not approve any of the persons included in the panel, it may call for an extended fresh panel.

(2) The Chancellor shall be an eminent person in the field of sports who shall either be a sports person himself or a Sports Administrator or a Sports Academician.

(3) The Chancellor shall hold office for the term of five years and shall not be eligible for reappointment:

Provided that notwithstanding the expiry of his term of office, the Chancellor shall continue to hold office until his successor enters upon his office.

Vice-Chancellor.

2. (1) The Vice-Chancellor shall be appointed by the Central Government from out of a panel recommended by a Committee as constituted under clause (2):

Provided that if the Central Government does not approve any of the persons included in the panel, it may call for an extended fresh panel.

(2) The Committee referred to in clause (1) shall consist of five persons, out of whom three shall be nominated by the Executive Council and two by the Central Government, and one of the nominees of the Central Government shall be the convener of the Committee:

Provided that none of the members of the Committee shall be an employee of the University or of a College or Institution or Regional Centre or Study Centre established or maintained by the University or a member of any authority of the University.

(3) The Vice-Chancellor shall be a whole-time salaried officer of the University.

(4) The Vice-Chancellor shall hold office for a term of five years from the date on which he enters upon his office, or until he attains the age of seventy year, whichever is earlier, and he shall not be eligible for re-

appointment:

Provided that notwithstanding the expiry of the said period of five years, he shall continue in office until his successor is appointed and enters upon his office:

Provided further that the Central Government may direct any Vice-Chancellor after his term has expired to continue in office for such period, not exceeding a total period of one year, as may be specified by it.

Provided also that when the office of the Vice-Chancellor becomes vacant due to death, resignation or otherwise, or, /as the case may be, due to illness or such other cause, the Executive Council may appoint the senior-most Dean to perform the functions of the Vice-Chancellor until a new Vice-Chancellor is appointed or, as the case may be, the existing Vice-Chancellor resumes his duties.

(5) Notwithstanding anything contained in clause(4), the Central Government may, at any time after the Vice-Chancellor has entered upon his office, by an order in writing, remove the Vice-Chancellor from office on grounds of incapacity, misconduct or violation of statutory provisions:

Provided that no such order shall be made by the Central Government unless the Vice-Chancellor has been given a reasonable opportunity of showing cause against the action proposed to be taken against him:

Provided further that the Central Government may, at any time before making such order, place the Vice-Chancellor under suspension, pending enquiry.

(6) The emoluments and other conditions of service of the Vice-Chancellor shall be as follows:-

(i) The Vice-Chancellor shall be paid a monthly salary and allowances, other than house rent allowance, at the rates fixed by the Central Government from time to time and he shall be entitled, without payment of rent, to use a furnished residence throughout his term of office and no charge shall fall on the Vice-Chancellor in respect of the maintenance of such residence.

(ii) The Vice-Chancellor shall be entitled to such terminal benefits and allowances as may be fixed by the Central Government from time to time:

Provided that where an employee of the University or of a College, Institution, Regional Centre or Study Centre established or maintained by the University, or of any other University or any College or Institution

admitted to the privileges of the University or such other University, is appointed as the Vice-Chancellor, he may be allowed to continue to contribute to any provident fund of which he is a member and the University shall contribute to the account of such person in that provident fund at the same rate at which the person had been contributing immediately before his appointment as the Vice-Chancellor:

Provided further that where such employee had been a member of any pension scheme, the University shall make the necessary contribution to such scheme.

(iii) The Vice-Chancellor shall be entitled to travelling allowance at such rates as may be fixed by the Executive Council.

(iv) The Vice-Chancellor shall be entitled to leave on full pay at the rate of thirty days in a calendar year and the leave shall be credited to his account in advance in two half-yearly installments of fifteen days each on the first day of January and July every year:

Provided that if the Vice-Chancellor assumes or relinquishes charge of the office of the Vice-Chancellor during the currency of a half year, the leave shall be credited proportionately at the rate of two and-a-half days for each completed month of service.

(v) In addition to the leave referred to in sub-clause (iv), the Vice-Chancellor shall also be entitled to half-pay leave at the rate of twenty days for each completed year of service, and half-pay leave may also be availed of as commuted leave on full pay on medical certificate:

Provided that when such commuted leave is availed of, twice the amount of half-pay leave shall be debited against half-pay leave due.

Powers and duties
of Vice-Chancellor.

3. (1) The Vice-Chancellor shall be ex-officio Chairman of the Executive Council, the Academic and Activity Council and the Finance Committee and shall, in the absence of the Chancellor, preside at the Convocations held for conferring degrees and at meetings of the Court.

(2) The Vice-Chancellor shall be entitled to be present at, and address, any meeting of any authority or other body of the University, but shall not be entitled to vote there at unless he is a member of such authority or body.

(3) It shall be the duty of the Vice-Chancellor to see that this Ordinance, the Statutes, the Ordinances and the Regulations are duly observed and he shall have all the powers necessary to ensure such observance.

(4) The Vice-Chancellor shall have all the powers necessary for the proper maintenance of discipline in the University and he may delegate any such powers to such person or persons as he deems fit.

(5) The Vice-Chancellor shall have the power to convene or cause to be convened the meetings of the Executive Council, the Academic and Activity Council and the Finance Committee.

Deans of Schools.

4. (1) Every Dean of School shall be appointed by the Vice-Chancellor from amongst the Professors in the School by rotation in order of seniority for a period of three years:

Provided that in case there is only one Professor or no Professor in a School, the Dean shall be appointed, for the time being, from amongst the Professor, if any and the Associate Professors in the School by rotation in the order of seniority:

Provided further that a Dean on attaining the age of sixty-five years shall cease to hold office as such.

(2) When the office of the Dean is vacant or when the Dean is, by reason of illness, absence or any other cause, unable to perform duties of his office, the duties of the office shall be performed by the senior-most Professor or Associate Professor, as the case may be, in the School.

(3) The Dean shall be the Head of the School and shall be responsible for the conduct and maintenance of the standards of teaching and research in the School and shall have such other functions as may be prescribed by the Ordinances.

(4) The Dean shall have the right to be present and to speak at any meeting of the Boards of Sports Studies or Committees of the School, as the case may be, but shall not have the right to vote thereat unless he is a member thereof.

Registrar.

5. (1) The Registrar shall be appointed by the Executive Council on the recommendation of a Selection Committee constituted for the purpose and shall be whole-time salaried officer of University.

(2) The Registrar shall be appointed for a term of five years and shall be eligible for reappointment.

(3) The emoluments and other terms and conditions of service of the Registrar shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Registrar shall retire on attaining the age of sixty-two-years.

(4) When the office of the Registrar is vacant or when the Registrar is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) (a) The Registrar shall have power to take disciplinary action against such of the employees, excluding teachers and other academic staff, as may be specified in the order of the Executive Council and to suspend them pending inquiry, to administer warnings to them or to impose on them the penalty of censure or the withholding of increment:

Provided that no such penalty shall be imposed unless the person has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(b) An appeal shall lie to the Vice-Chancellor against any order of the Registrar imposing any of the penalties specified in sub-clause (a).

(c) In a case where the inquiry discloses that a punishment beyond the power of the Registrar is called for the Registrar shall, upon the conclusion of the inquiry, make a report to the Vice-Chancellor along with his recommendation:

Provided that an appeal shall lie to the Executive Council against an order of the Vice-Chancellor imposing any penalty.

(6) The Registrar shall be *ex officio* Secretary of the Executive Council and the Academic and Activity Council, but shall not be deemed to be member of either of these authorities and he shall be *ex officio* Member-secretary of the Court.

(7) It shall be the duty of the Registrar—

(a) to be the custodian of the records, the common seal and such other property of the University as the Executive Council shall commit to his charge;

(b) to issue all notices convening meetings of the Court, the Executive Council, the Academic and Activity Council and of any Committee appointed by those authorities;

(c) to keep the minutes of all the meetings of the Court, the Executive Council, the Academic and Activity Council and of any Committees

appointed by those authorities;

(d) to conduct the official correspondence of the Court, the Executive Council and the Academic and Activity Council;

(e) to supply to the Central Government, copies of the agenda of the meetings of the authorities of the University as soon as they are issued and the minutes of such meetings;

(f) to represent the University in suits or proceedings by or against the University, sign powers of attorney and verify pleadings or depute his representative for the purpose; and

(g) to perform such other duties as may be specified in the Statutes, the Ordinances or Regulations or as may be required from time to time by the Executive Council.

Finance officer.

6. (1) The Finance Officer shall be appointed by the Executive Council on the recommendations of Selection Committee constituted for the purpose and shall be a whole-time salaried officer of the University.

(2) The Finance Officer shall be appointed for a term of five years and shall be eligible for re-appointment.

(3) The emoluments and other terms and conditions of service of the Finance Officer shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Finance Officer shall retire on attaining the age of sixty-two years.

(4) When the office of the Finance Officer is vacant or when the Finance Officer is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) The Finance Officer shall be *ex officio* Secretary of the Finance Committee, but shall not be deemed to be a member of such Committee.

(6) The Finance Officer shall –

(a) exercise general supervision over the funds of the University and shall advise it as regards its financial policy; and

(b) perform such other financial function as may be assigned to him by the Executive Council or as may be prescribed by the Statutes or the

Ordinances.

(7) Subject to the control of the Executive Council, the Finance Officer shall—

(a) hold and manage the property and investments of the University including trust and endowed property:

(b) ensure that the limits fixed by the Executive Council for recurring and non-recurring expenditure for a year are not exceeded and that all moneys are expended on the purpose for which they are granted or allotted;

(c) be responsible for the preparation of annual accounts and the budget of the University and for their presentation to the Executive Council;

(d) Keep a constant watch on the state of the cash and bank balances and on the state of investments;

(e) watch the progress of the collection of revenues and advise on the methods of collection employed:

(f) ensure that the registers of buildings, land furniture and equipment are maintained up to date and that stock-checking is conducted, of equipment and other consumable materials in all offices, Departments, Centres and Specialised Laboratories;

(g) bring to the notice of the Vice-Chancellor any unauthorized expenditure and other financial irregularities and suggest disciplinary action against persons at fault; and

(h) call for, from any office, Department, Centre, Laboratory, College, Institution, Regional Centre or Study Centre established or maintained by the University, any information or returns that he may consider necessary for the performance of his duties.

(8) Any receipt given by the Finance Officer or the person or persons duly authorised in this behalf by the Executive Council for any money payable to University shall be sufficient discharge for payment of such money.

Controller of
Examinations.

7. (1) The Controller of Examinations shall be appointed by the Executive Council on the recommendations of a selection Committee constituted for the purpose and he shall be a whole time salaried officer of the University.

(2) The Controller of Examinations shall be appointed for a term of five years and shall be eligible for re-appointment.

(3) The emoluments and other terms and conditions of service of the Controller of Examinations shall be such as may be prescribed by the Executive Council from time to time:

Provided that the Controller of Examinations shall retire on attaining the age of sixty-two years.

(4) when the officer of the Controller of Examinations is vacant or when the Controller of Examinations is, by reason of illness, absence or any other cause, unable to perform the duties of his office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(5) The Controller of Examinations shall arrange for and superintend the examinations of the University in the manner prescribed by the Ordinances.

Librarian.

8. (1) The Librarian shall be appointed by the Executive Council on the recommendations of the Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(2) The Librarian shall exercise such powers and perform such duties as may be assigned to him by the Executive Council.

Constitution and meetings of Court.

9. (1) The court shall consist of the following members who shall hold office for a period of three years, namely:—

(a) *Ex-Officio* Members:

(i) the Chancellor;

(ii) the Vice-Chancellor;

(iii) the Proctor;

(iv) the Deans of Schools;

(v) the Dean of Students' Welfare;

(vi) the Finance Officer;

(vii) one Senior Warden, by rotation;

(viii) the Librarian of the University;

(ix) the President, Alumni Association;

(b) Other Members:

(i) Heads of Departments/Professors who are members of the Academic and Activity Council;

(ii) one representative from each institution recognized by the university, nominated by the Vice-Chancellor on recommendations of the Head of the Institution;

(iii) not more than four persons from amongst eminent sports scientists, sports academicians and sports administrators to be nominated by the Central Government;

(iv) not more than two persons representing sports industry, to be nominated by the Central Government;

(v) not more than ten persons from amongst eminent sports persons and highly recognized coaches to be nominated by the Central government;

(c) the Registrar – *Ex-Officio* Member Secretary.

(2) An annual meeting of the Court shall be held on a date to be fixed by the Executive Council unless some other date has been fixed by the Court in respect of any year.

(3) At an annual meeting of the Court, a report on the working of the University during the previous year, together with a statement of the receipts and expenditure, the balance sheet as audited, and financial estimates for the next year shall be presented.

(4) A copy of the statement of receipts and expenditure, the balance-sheet and the financial estimates referred to in clause (2) shall be sent to every member of the Court at least seven days before the date of the annual meeting.

(5) Special meetings of the Court may be convened by the Executive Council or the Vice-Chancellor or if there is no Vice-Chancellor, by the Registrar.

(6) Eleven members of the Court shall form a quorum for a meeting of the Court.

Quorum for
meeting of

10. Seven members of the Executive Council shall form a quorum for a

Executive Council. meeting of the Executive Council.

Constitution,
powers and
functions of

11. (1) The Executive Council shall consist of the following members to be nominated by the Central Government who shall hold office for a period of two years, namely:—

Executive Council.

(a) *Ex-Officio* Members

(i) the Vice-Chancellor;

(ii) the Proctor;

(iii) the Deans of Students' Welfare;

(iv) the Additional Secretary and Financial Advisor, Ministry of Youth Affairs and Sports;

(v) the Joint Secretary, Ministry of Youth Affairs and Sports;

(vi) the Deans of Schools;

(b) Other Members:

(i) three Senior Professors by rotation;

(ii) four persons from amongst sports scientists, sports administrators, eminent sports persons and distinguished coaches.

(2) The Executive Council shall have the power of management and administration of the revenue and property of the University and the conduct of all administrative affairs of the University not otherwise provided for.

(3) Subject to the provision of this Ordinance, the Statutes and the Ordinances, the Executive Council shall, in addition to all other powers vested in it, have the following powers, namely:—

(i) to create teaching and other academic posts including Chairs, to determine the number and emoluments of such posts and to define the duties and conditions of service of Professors, Associate Professors, Assistant Professors and other academic staff:

Provided that no action shall be taken by the Executive Council in respect of the number and qualifications of teachers and other academic staff otherwise than after consideration of the recommendations of the Academic and Activity Council;

(ii) to appoint such Professors; Associate Professors; Assistant Professors and other academic staff including Chair, as may be necessary; on the recommendation of the Selection Committee constituted for the purpose and to fill up temporary vacancies therein;

(iii) to promote inter- facial research by making joint appointments of teaching staff in different Schools, Department and Centres;

(iv) to create administrative, ministerial and other necessary posts and to define their duties and conditions of their service and to make appointments thereto in the manner prescribed by the ordinances;

(v) to grant leave of absence to any officer of the University other than the Chancellor and the Vice-Chancellor, and to make necessary arrangements for the discharge of the functions of such officer during his absence;

(vi) to regulate and enforce discipline among employees in accordance with the Statutes and the Ordinances;

(vii) to manage and regulate the finances, accounts, investments, property, business and all other administrative affairs of the University and for that purpose to appoint such agents as it may think fit;

(viii) to fix limits on the total recurring and the total non-recurring expenditure for a year on the recommendation of the Finance Committee;

(ix) to invest any money belonging to the University , including any unapplied income , in such stocks, funds, share or securities, from time to time, as it may think fit or in the purchase of immovable property in India, with the like powers of varying such investment from time to time;

(x) to transfer or accept transfers of any movable or immovable property on behalf of the University;

(xi) to provide buildings, premises, furniture and apparatus and other means needed for carrying on the work of the University;

(xii) to enter into, vary, carry out and cancel contracts on behalf of the University;

(xiii) to entertain, adjudicate upon, and if thought fit, to redress any grievances of the employees and students of the University who may, for any reason, feel aggrieved;

(xiv) to appoint examiners and moderators and, if necessary, to remove them, and to fix their fees, emoluments and travelling and other allowances, after consulting the Academic and Activity Council;

(xv) to select a common seal for the University and provide for the use of such seal;

(xvi) to make such special arrangements as may be necessary for the residence of women students;

(xvii) to institute fellowships, scholarships, studentships, medals and prizes;

(xviii) to provide for the appointment of Visiting Professors, Emeritus Professors, Consultants and Scholars and determine the terms and conditions of such appointments;

(xix) to enter into partnership with industry and non-government agencies for the advancement of knowledge and establish a corpus of funds out of the profits of such partnership; and

(xx) to exercise such other powers and perform such other duties as may be conferred or imposed on it by this Ordinance or this Statutes.

Members of Academic and Activity Council and quorum for meeting.

12. (1) The members of the Academic and Activity Council shall include sports persons who have achieved distinction in Olympics or world championships.

(2) Nine members of the Academic and Activity Council shall form quorum for the meeting of the Academic and Activity Council.

Powers and functions of Academic and Activity Council.

13. Subject to the provisions of this Ordinance, the Statutes and the Ordinances, the Academic and Activity Council shall, in addition to all other powers vested in it, have the following powers, namely:-

(a) to exercise general supervision over the academic policies of the University and to give directions regarding methods of instruction, co-ordination of teaching among the Colleges, Institutions, Regional Centres and Study Centres and evaluation of research and improvement of academic standards ;

(b) to bring about and promote inter-School co-ordination and to establish or appoint such committees or boards as may be deemed necessary for the purpose;

(c) to consider matters of general academic interest either on its own initiative, or on a reference by a School or the Executive Council, and to take appropriate action thereon;

(d) to frame such regulations and rules consistent with the Statutes and the Ordinances regarding the academic functioning of the University,

discipline, residence, admissions, award of fellowships and studentships, fees, concessions, corporate life and attendance.

Schools of Studies
and Departments.

14. (1) The University shall have such Schools of Studies as may be specified in the Statutes.

(2) Every School shall have a School Board and the members of the first School Board shall be nominated by the Executive Council for a period of three years.

(3) The composition, powers and functions of a School Board shall be prescribed by the Ordinances.

(4) The conduct of the meetings of a School Board and the quorum required for such meetings shall be prescribed by the Ordinances.

(5) (a) Every School shall consist of such Departments as may be assigned to it by the Ordinances:

Provided that the Executive Council may, on the recommendation of the Academic and Activity Council, establish Centers of Studies to which may be assigned such teachers of the University as the Executive Council may consider necessary.

(b) Each Department shall consist of the following members, namely:-

(i) teachers of the Department;

(ii) persons conducting research in the Department;

(iii) Dean of the School;

(iv) Honorary Professors, if any, attached to the Department; and

(v) such other persons as may be members of the Department in accordance with the provisions of the Ordinances.

Board of Sports
Studies.

15. (1) Each Department shall have a Board of Sports Studies.

(2) The term of office of the Board of Sports Studies and of its members shall be prescribed by the Ordinances.

(3) Subject to the overall control and supervision of the Academic and Activity Council, the functions of a Board of Sports Studies shall be to approve subjects for research for various degrees and other requirements of research degrees and to recommend to the concerned School Board in the manner prescribed by the Ordinances—

(a) courses of studies and appointment of examiners for courses, but excluding research degrees;

(b) appointment of supervisors for research; and

(c) measures for the improvement of the standard of teaching and research:

Provided that the above functions of a Board of Sports Studies shall, during the period of three years immediately after the commencement of this Ordinance, be performed by the Department.

Finance
Committee.

16. (1) The Finance Committee shall consist of the following members, namely: –

(i) the Vice-Chancellor ;

(ii) one person to be nominated by the Court;

(iii) three persons to be nominated by the Executive Council, out of whom at least one shall be a member of the Executive Council; and

(iv) three persons to be nominated by the Central Government.

(2) Five members of the Finance Committee shall form a quorum for a meeting of the Finance Committee.

(3) All the members of the Finance Committee, other than *ex officio* members, shall hold office for a term of three years.

(4) A member of the Finance Committee shall have the right to record a minute of dissent if he does not agree with any decision of the Finance Committee.

(5) The Finance Committee shall meet at least thrice every year to examine the accounts and to scrutinise proposals for expenditure.

(6) All proposals relating to creation of posts, and those items which have not been included in the budget, shall be examined by the Finance Committee before they are considered by the Executive Council.

(7) The annual accounts and the financial estimates of the University prepared by the Finance Officer shall be laid before the Finance Committee for consideration and comments and thereafter submitted to the Executive Council for approval.

(8) The Finance Committee shall recommend limits for the total recurring expenditure and the total non-recurring expenditure for the year, based on the income and resources of the University (which, in the case of productive works, may include the proceeds of loans).

Selection
Committees.

17. (1) There shall be Selection Committees for making recommendations to the Executive Council for appointment to the post of professor, Associate Professor, Assistant Professor, Registrar, Finance

Officer, Controller of Examinations, Librarian and Principals of Colleges, Institutions, Regional Centres and Study Centres established or maintained by the University.

(2) The Selection Committee for appointment to the posts specified in column 1 of the Table below shall consist of the Vice-Chancellor, a nominee of the Central Government and the persons specified in the corresponding entry in column 2 of the said Table:

TABLE

1	2
Professor.	<p>(i) The Dean of the School.</p> <p>(ii) The Head of the Department, if he is a Professor.</p> <p>(iii) Three persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic and Activity Council for their special knowledge of, or interest in, the subject with which the Professor will be concerned.</p>
Associate Professor/ Assistant Professor.	<p>(i) The head of the Department.</p> <p>(ii) One Professor nominated by the Vice-Chancellor.</p> <p>(iii) Two persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic and Activity Council for their special knowledge of , or interest in , the subject with which the Associate Professor or Assistant Professor will be concerned.</p>
Registrar/ Finance Officer/ Controller of Examination.	<p>(i) Two members of the Executive Council nominated by it.</p> <p>(ii) One person not in the service of the University nominated by the Executive Council.</p>
Librarian.	<p>(i) One person not in the service of the University who has special knowledge of the subject of the Library Science or Library Administration nominated by the Executive Council.</p> <p>(ii) One person not in the service of the University nominated by the Executive Council.</p>
Principal of college or institution	<p>Three persons not in the service of the University of whom two shall be nominated by the Executive Council and one by the Academic and</p>

maintained by the University. Activity Council for their special knowledge of, or interest in, a subject in which instruction is being provided by the College or Institution.

Note 1. – Where the appointment is being made for an inter-disciplinary project, the head of the project shall be deemed to be the Head of the Department concerned.

Note 2.– The Professor to be nominated by the Vice-Chancellor shall be a Professor concerned with the speciality for which the selection is being made and the Vice-Chancellor shall consult the Head of the Department and the Dean of the School before nominating the Professor.

(3) The Vice-Chancellor shall convene and preside at the meeting of the Selection Committee:

Provided that the meeting of the Selection Committee shall be fixed after prior consultation with, and subject to the convenience of the Central Government's nominee and the experts nominated by the Executive Council:

Provided further that the proceedings of the Selection Committee shall not be valid unless, —

(a) where the number of the Central Government's nominee and the persons nominated by the Executive Council is four in all, at least three of them attend the meeting; and

(b) where the number of the Central Government's nominee and the persons nominated by the Executive Council is three in all, at least two of them attend the meeting.

(4) The procedure to be followed by the Selection Committee shall be laid down in the Ordinances.

(5) If the Executive Council is unable to accept the recommendations made by the Selection Committee, it shall record its reasons and submit the case to the Central Government for final orders.

(6) Appointments to temporary posts shall be made in the manner indicated below:-

(i) If the temporary vacancy is for duration longer than one academic session, it shall be filled on the advice of the Selection Committee in accordance with the procedure indicated in the foregoing clauses:

Provided that if the Vice-Chancellor is satisfied that in the interests of

work it is necessary to fill the vacancy, the appointment may be made on a purely temporary basis on the advice of a local Selection Committee referred to in sub-clause (ii) for a period not exceeding six months.

(ii) If the temporary vacancy is for a period less than a year, an appointment to such vacancy shall be made on the recommendation of a local Selection Committee consisting of the Dean of the School concerned, the Head of the Department and a nominee of the Vice-Chancellor:

Provided that if the same person holds the offices of the Dean and the Head of the Department, the Selection Committee may contain two nominees of the Vice-Chancellor:

Provided further that in the case of sudden casual vacancies of teaching posts caused by death or any other reason, the Dean may, in consultation with the Head of the Department concerned, make a temporary appointment for a month and report to the Vice-Chancellor and the Registrar about such appointment.

(iii) No teacher appointed temporarily shall, if he is not recommended by a regular Selection Committee for appointment under the Statutes, be continued in service on such temporary employment, unless he is subsequently selected by a local Selection Committee or a regular Selection Committee, for a temporary or permanent appointment, as the case may be.

Special mode of
appointment.

18. (1) Notwithstanding anything contained in Statute 17, the Executive Council may invite a person of high academic distinction and professional attainments to accept a post of Professor or Associate Professor or any other equivalent academic post in the University on such terms and conditions as it deems fit and on the person agreeing to do so appoint him to the post:

Provided that the Executive Council may also create supernumerary posts for a specified period for appointment of such persons:

Provided further that the number of supernumerary posts so created should not exceed five per cent. of the total posts in the University.

(2) The Executive Council may appoint a teacher or any other academic staff working in any other University or organisation for undertaking a joint project in accordance with the manner laid down in the Ordinances.

Appointment for fixed tenure.

19. The Executive Council may appoint a person selected in accordance with the procedure laid down in Statute 17 for a fixed tenure on such terms and conditions as it deems fit.

Committees.

20. (1) An authority of the University may appoint as many standing or special committees as it may deem fit, and may appoint to such committees persons who are not members of such authority.

(2) A committee appointed under clause (1) may deal with any subject delegated to it subject to subsequent confirmation by the authority appointing it.

Terms and conditions of service and code of conduct of teachers, etc.

21. (1) All the teachers and other academic staff of the University shall, in the absence of any agreement to the contrary, be governed by the terms and conditions of service and code of conduct as are specified in the Statutes, the Ordinances and the Regulations.

(2) The emoluments of members of the academic staff shall be such as may be prescribed by the ordinances.

(3) Every teacher and member of the academic staff of the University shall be appointed on a written contract, the form of which shall be prescribed by the Ordinances.

(4) A copy of every contract referred to in clause (3) shall be deposited with the Registrar.

Terms and conditions of service and code of conduct of other employees.

22. (1) All the employees of the University, other than the teachers and other academic staff shall, in the absence of any contract to the contrary, be governed by the terms and conditions of service and code of conduct as are specified in the Statutes, the Ordinances and the Regulations,

(2) The manner of appointment and emoluments of employees, other than the teachers and other academic staff, shall be such as may be prescribed by the Ordinances.

Seniority list.

23. (1) Whenever, in accordance with the Statutes, any person is to hold an office or be a member of an authority of the University by rotation according to seniority, such seniority shall be determined according to the length of continuous service of such person in his grade and in accordance with such other principles as the Executive Council may, from time to time, prescribe:

(2) It shall be the duty of the Registrar to prepare and maintain in respect of each class of persons to whom the provisions of these Statutes apply, a complete and up-to-date seniority list in accordance with the provisions of clause (1).

(3) If two or more persons have equal length of continuous service in a particular grade or the relative seniority of any person or persons is otherwise in doubt, the Registrar may, on his own motion and shall, at the request of any such person, submit the matter to the Executive Council whose decision thereon shall be final.

Removal of
employees of
University.

24. (1) Where there is an allegation of misconduct against a teacher, a member of the academic staff or other employee of the University, the Vice-Chancellor, in the case of the teacher or a member of the academic staff, and the authority competent to appoint (hereinafter referred to as the appointing authority) in the case of other employee may, by order in writing, place such teacher, member of the academic staff or other employee, as the case may be, under suspension and shall forthwith report to the Executive Council the circumstances in which the order was made:

Provided that the Executive Council may, if it is of the opinion, that the circumstances of the case do not warrant the suspension of the teacher or a member of the academic staff, revoke such order.

(2) Notwithstanding anything contained in the terms of the contract of appointment or of any other terms and condition of service of the employees, the Executive Council in respect of teachers and other academic staff, and the appointing authority in respect of other employees, shall have the power to remove a teacher or a member of the academic staff or other employee, as the case may be, on grounds of misconduct.

(3) Save as aforesaid, the Executive Council, or as the case may be, the appointing authority, shall not be entitled to remove any teacher, member of the academic staff or other employee except for a good cause and after giving three months' notice or on payment of three months' salary in lieu thereof.

(4) No teacher, member of the academic staff or other employee shall be removed under clause (2) or clause (3) unless he has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(5) The removal of a teacher, member of the academic staff or other

employee shall take effect from the date on which the order of removal is made:

Provided that where the teacher, member of the academic staff or other employee is under suspension at the time of his removal, such removal shall take effect from the date on which he was placed under suspension.

(6) Notwithstanding anything contained in the foregoing provisions of the Statute, a teacher, member of the academic staff or other employee may resign –

(a) if he is a permanent employee, only after giving three months' notice in writing to the Executive Council or the appointing authority, as the case may be, or by paying three months' salary in lieu thereof;

(b) if he is not a permanent employee, only after given one month's notice in writing to the Executive Council or, as the case may be, the appointing authority or by paying one month's salary in lieu thereof:

Provide that such resignation shall take effect only on the date on which the resignation is accepted by the Executive Council or the appointing authority, as the case may be.

Honorary Degrees.

25. (1) The Executive Council may, on the recommendation of the Academic and Activity Council and by a resolution passed by a majority of not less than two-thirds of the members present and voting, make proposals to the Central Government for the conferment of honorary degrees:

Provided that in case of emergency, the Executive Council may, on its own motion, make such proposals.

(2) The Executive Council may, by a resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw, with the previous sanction of the Central Government, any honorary degree conferred by the University.

Withdrawal of degrees, etc.

26. The Executive Council may, by a resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw a degree or academic distinction conferred on , or any certificate or diploma granted to, any person by the University for good and sufficient cause:

Provided that no such resolution shall be passed until a notice in writing has been given to that person calling upon him to show cause within such time as may be specified in the notice as to why such a

resolution should not be passed and until his objections, if any, and any evidence he may produce in support of them, have been considered by the Executive Council.

Maintenance of discipline amongst students of University.

27. (1) All powers relating to the maintenance of discipline and disciplinary action in relation to the students of the University shall vest in Vice-Chancellor.

(2) There shall be Proctor of the University to assist the Vice-Chancellor in the exercise of the powers referred to in clause (1), who shall be appointed by the Executive Council from amongst the Professors and Associate Professors in the manner prescribed by the Ordinances.

(3) The Vice-Chancellor may delegate all or any of the powers referred to in clause (1), as he deems proper, to the Proctor and to such other officers as he may specify in this behalf.

(4) Without prejudice to the generality of his powers relating to the maintenance of discipline and taking such action, as may seem to him appropriate for the maintenance of discipline, the Vice-Chancellor may, in exercise of such powers, by order, direct that any student or students be expelled or rusticated, for a specified period, or be not admitted to a course or courses of study in a College, Institution or Regional Centre or a Department or a School of the University for a stated period, or be punished with fine for an amount to be specified in the order, or be debarred from taking an examination or examinations conducted by the University, College, Institution or Regional Centre or Department or a School for one or more years, or that the results of the student or students concerned in the examination or examinations in which he or they have appeared be withheld or cancelled.

(5) The Principals of Colleges, Institutions, Deans of Schools of Studies and Heads of teaching Departments in the University shall have the authority to exercise all such disciplinary powers over the students in their respective Colleges, Institutions, Schools and teaching Departments in the University, as may be necessary for the proper conduct of such Colleges, Institution, Schools and teaching Departments.

(6) Without prejudice to the powers of the Vice-Chancellor and the Principals and other persons specified in clause (5), detailed rules of discipline and proper conduct shall be made by the University and the Principals of Colleges, Institutions, Deans of Schools of Studies and Heads of teaching Departments in the University may also make such supplementary rules as they deem necessary for the purposes stated

therein.

(7) At the time of admission, every student shall be required to sign a declaration to the effect that he submits himself to the disciplinary jurisdiction of the Vice-Chancellor and other authorities of the University.

Convocations.

28. Convocations of the University for the conferring of degrees or for other purposes shall be held in such manner as may be prescribed by the Ordinances.

Acting Chairman of meetings.

29. Where no provision is made for Chairman to preside over a meeting of any authority of the University or any Committee of such authority or when the Chairman so provided for is absent, the members present shall elect one from among themselves to preside at such meeting.

Resignation.

30. Any member, other than an ex officio member of the Court, the Executive Council, the Academic and Activity Council or any other authority of the University or any Committee of such authority may resign by letter addressed to the Registrar and the resignation shall take effect as soon as such letter is received by the Registrar.

Disqualification.

31. (1) A person shall be disqualified for being chosen as, and for being, a member of any of the authorities, or for being appointed as, and for being, an officer, of the University if –

(i) he is of unsound mind; or

(ii) he is an undischarged insolvent; or

(iii) he has been convicted by a court of law of an offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months.

(2) If any question arises as to whether a person is or had been subjected to any of the disqualifications mentioned in clause (i), the question shall be referred to the Central Government and its decision shall be final and no suit or other proceeding shall lie in any civil court against such decision.

Residence conditions for membership and office.

32. Notwithstanding anything contained in the Statutes, a person who is not ordinarily resident in India shall not be eligible to be an officer of the University or a member of any authority of the University.

Membership of authorities by virtue of

33. Notwithstanding anything contained in the Statutes, a person who holds any post in the University or is a member of any authority or body of the University in his capacity as a member of a particular authority or

membership of
other bodies.

body or as the holder of a particular appointment shall hold such office or membership only for so long as he continues to be a member of that particular authority or body or the holder of that particular appointment, as the case may be.

Alumni
Association.

34. (1) There shall be an Alumni Association for the University.

(2) The subscription for membership of the Alumni Association shall be prescribed by the Ordinances.

(3) No member of the Alumni Association shall be entitled to vote or stand for election unless he has been a member of the Association for at least one year prior to the date of election and is a degree holder of the University of at least five years standing:

Provided that the condition relating to the completion of one year's membership shall not apply in the case of the first election.

Students Council.

35. (1) There shall be constituted in the University, a Students' Council for every academic year, consisting of—

(i) the Dean of Students' Welfare who shall be the Chairman of the Students' Council;

(ii) twenty students to be nominated by the Academic and Activity Council on the basis of merit in studies, sports and extra-curricular activities; and

(iii) twenty students to be elected by the students as their representatives:

Provided that any student of the University shall have the right to bring up any matter concerning the University before the Students' Council, if so permitted by the Chairman, and he shall have the right to participate in the discussions at any meeting when the matter is taken up for consideration.

(2) The functions of the Students' Council shall be to make suggestions to the appropriate authorities of the University in regard to the programmes of studies, students' welfare and other matters of importance, in regard to the working of the University in general and such suggestions shall be made on the basis of consensus of opinion.

(3) The Students' Council shall meet at least twice in every academic year and the first meeting of the Council be held in the beginning of the

academic session.

Ordinances how to be made.

36. (1) The first Ordinances made under sub-section (2) of section 26 may be amended, repealed or added to at any time by the Executive Council in the manner specified in the following sub-clauses.

(2) No Ordinances in respect of the matters enumerated in sub-section (1) of section 26 of this **Ordinance** shall be made by the Executive Council unless a draft of such Ordinances has been proposed by the Academic and Activity Council.

(3) The Executive Council shall not have power to amend any draft of any Ordinances proposed by the Academic and Activity Council under clause (2), but may reject the proposal or return the draft to the Academic and Activity Council for re-consideration, either in whole or in part, together with any amendment which the Executive Council may suggest.

(4) Where the Executive Council has rejected or returned the draft of an Ordinances proposed by the Academic and Activity Council, the Academic and Activity Council may consider the question afresh and in case the original draft is reaffirmed by a majority of not less than two-thirds of the members present and voting and more than half of the total number of members of the Academic and Activity Council, the draft may be sent back to the Executive Council which shall either adopt it or refer it to the Central Government whose decision shall be final.

(5) Every Ordinances made by the Executive Council shall come into effect immediately.

(6) Every Ordinances made by the Executive Council shall be submitted to the Central Government within two weeks from the date of its adoption.

(7) The Central Government shall have the power to direct the University to suspend the operation of any Ordinances.

(8) The Central Government shall inform the Executive Council about its objection to the Ordinances referred to in clause (7) and may, after receiving the comments of the University, either withdraw the order suspending the Ordinances or disallow the Ordinances, and its decision shall be final.

Regulations.

37. (1) The authorities of the University may make Regulation consistent with this Ordinance, the Statutes and the Ordinances for the following matters, namely:

(i) laying down the procedure to be observed at their meeting and the number of members required to form a quorum;

(ii) providing for all matters which are required by this Ordinance, the Statutes or the Ordinances, to be prescribed by Regulations ; and

(iii) Providing for all other matters solely concerning such authorities or committees appointed by them and not provided for by this Ordinance, the Statutes or the Ordinances.

(2) Every authority of the University shall make Regulations providing for the giving of notice to the members of such authority of the dates of meeting and of the business to be considered at meetings and for the keeping of a record of the proceedings of meetings.

(3) The Executive Council may direct the amendment in such manner as it may specify of any Regulation made under the Statutes or the annulment of any such Regulation.

Delegation of powers.

38. Subject to the provisions of this Ordinance and the Statutes, any officer or authority of the University may delegate his or its powers to any other officer or authority or person under his or its respective control and subject to the condition that overall responsibility for the exercise of the powers so delegated shall continue to vest in the officer or authority delegating such powers.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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नई दिल्ली, बुधवार, जून 6, 2018/ज्येष्ठ 16, 1940 (शक)

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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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 6th June, 2018/Jyaistha 16, 1940 (Saka)

THE INSOLVENCY AND BANKRUPTCY CODE

(AMENDMENT) ORDINANCE, 2018

NO. 6 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India.

An Ordinance further to amend the Insolvency and Bankruptcy Code, 2016.

WHEREAS the Insolvency and Bankruptcy Code, 2016 (the Code), *inter alia*, provides for insolvency resolution of corporate persons in a time bound manner for maximisation of value of assets of such persons;

AND WHEREAS a need has been felt, *inter alia*, to balance the interests of various stakeholders in the Code, especially interests of home buyers and micro, small and medium enterprises, promoting resolution over liquidation of corporate debtor by lowering the voting threshold of committee of creditors and streamlining provisions relating to eligibility of resolution applicants;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

Short title and commencement.

1. (1) This Ordinance may be called the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018.

(2) It shall come into force at once.

Amendment of section 3.

2. In the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the principal Act), in section 3, in clause (12), for the word “repaid”, the word “paid” shall be substituted. 31 of 2016.

Amendment of section 5.

3. In section 5 of the principal Act,—

(i) after clause (5), the following clause shall be inserted, namely:—

‘(5A) “corporate guarantor” means a corporate person who is the surety in a contract of guarantee to a corporate debtor;’;

(ii) in clause (8), in sub-clause (f), the following *Explanation* shall be inserted, namely:—

‘*Explanation.*— For the purposes of this sub-clause,—

(i) any amount raised from an allottee under a real estate project shall be deemed to be an amount having the commercial effect of a borrowing; and

(ii) the expressions, “allottee” and “real estate project” shall have the meanings respectively assigned to them in clauses (d) and (zn) of section 2 of the Real Estate (Regulation and Development) Act, 2016;’; 16 of 2016.

(iii) in clause (21), for the word “repayment”, the word “payment” shall be substituted;

(iv) after clause (24), the following clause shall be inserted, namely:—

‘(24A) “related party”, in relation to an individual, means—

(a) a person who is a relative of the individual or a relative of the spouse of the individual;

(b) a partner of a limited liability partnership, or a limited liability partnership or a partnership firm, in which the individual is a partner;

(c) a person who is a trustee of a trust in which the beneficiary of the trust includes the individual, or the terms of the trust confers a power on the trustee which may be exercised for the benefit of the individual;

(d) a private company in which the individual is a director and holds along with his relatives, more than two per cent. of its share capital;

(e) a public company in which the individual is a director and holds along with relatives, more than two per cent. of its paid-up share capital;

(f) a body corporate whose board of directors, managing director or manager, in the ordinary course of business, acts on the advice, directions or instructions of the individual;

(g) a limited liability partnership or a partnership firm whose partners or employees in the ordinary course of business, act on the advice, directions or instructions of the individual;

(h) a person on whose advice, directions or instructions, the individual is accustomed to act;

(i) a company, where the individual or the individual along with its related party, own more than fifty per cent. of the share capital of the company or controls the appointment of the board of directors of the company.

Explanation.—For the purposes of this clause,—

(a) “relative”, with reference to any person, means anyone who is related to another, in the following manner, namely:—

(i) members of a Hindu Undivided Family,

(ii) husband,

(iii) wife,

(iv) father,

(v) mother,

(vi) son,

(vii) daughter,

(viii) son’s daughter and son,

(ix) daughter’s daughter and son,

(x) grandson’s daughter and son,

(xi) granddaughter's daughter and son,

(xii) brother,

(xiii) sister,

(xiv) brother’s son and daughter,

(xv) sister’s son and daughter,

(xvi) father's father and mother,

(xvii) mother's father and mother,

(xviii) father's brother and sister,

(xix) mother's brother and sister; and

(b) wherever the relation is that of a son, daughter, sister or brother, their spouses shall also be included;’.

Amendment of section 7.

4. In section 7 of the principal Act, in sub-section (1), for the words “other financial creditors”, the words “other financial creditors, or any other person on behalf of the financial creditor, as may be notified by the Central Government,” shall be substituted.

Amendment of section 8.

5. In section 8 of the principal Act,—

(a) in sub-section (2),—

(i) in clause (a), for the words “if any, and”, the words “if any, or” shall be substituted;

(ii) in clause (b), for the word “repayment”, the word “payment” shall be substituted;

(b) in the *Explanation*, for the word “repayment”, the word “payment” shall be substituted.

Amendment of section 9.

6. In section 9 of the principal Act,—

(a) in sub-section (3),—

(i) in clause (c), for the words “by the corporate debtor; and”, the words “by the corporate debtor, if available;” shall be substituted;

(ii) for clause (d), the following clauses shall be substituted, namely:—

“(d) a copy of any record with information utility confirming that there is no payment of an unpaid operational debt by the corporate debtor, if available; and

(e) any other proof confirming that there is no payment of an unpaid operational debt by the corporate debtor or such other information, as may be prescribed.”;

(b) in sub-section (5),—

(A) in clause (i), in sub-clause (b), for the word “repayment”, the word “payment” shall be substituted;

(B) in clause (ii), in sub-clause (b), for the word “repayment”, the word “payment” shall be substituted.

7. In section 10 of the principal Act, — Amendment of section 10.
- (a) for sub-section (3), the following sub-section shall be substituted, namely:—
- “(3) The corporate applicant shall, along with the application, furnish—
- (a) the information relating to its books of account and such other documents for such period as may be specified;
- (b) the information relating to the resolution professional proposed to be appointed as an interim resolution professional; and
- (c) the special resolution passed by shareholders of the corporate debtor or the resolution passed by at least three-fourth of the total number of partners of the corporate debtor, as the case may be, approving filing of the application.”;
- (b) in sub-section (4),—
- (i) in clause (a), after the words “if it is complete”, the words “and no disciplinary proceeding is pending against the proposed resolution professional” shall be inserted;
- (ii) in clause (b), after the words “if it is incomplete”, the words “or any disciplinary proceeding is pending against the proposed resolution professional” shall be inserted.
8. In section 12 of the principal Act, in sub-section (2), for the word “seventy-five”, the word “sixty-six” shall be substituted. Amendment of section 12.
9. After section 12 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 12A.
- “12A. The Adjudicating Authority may allow the withdrawal of application admitted under section 7 or section 9 or section 10, on an application made by the applicant with the approval of ninety per cent. voting share of the committee of creditors, in such manner as may be prescribed.”. Withdrawal of application admitted under section 7, 9 or 10.
10. In section 14 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:— Amendment of section 14.
- “(3) The provisions of sub-section (1) shall not apply to—
- (a) such transaction as may be notified by the Central Government in consultation with any financial regulator;
- (b) a surety in a contract of guarantee to a corporate debtor.”.
11. In section 15 of the principal Act, in sub-section (1), in clause (c), for the word “claims”, the words “claims, as may be specified” shall be substituted. Amendment of section 15.

Amendment of section 16.

12. In section 16 of the principal Act, in sub-section (5), for the words “shall not exceed thirty days from date of his appointment”, the words and figures “shall continue till the date of appointment of the resolution professional under section 22” shall be substituted.

Amendment of section 17.

13. In section 17 of the principal Act, in sub-section (2),—

(i) in clause (d), for the words “may be specified.”, the words “may be specified; and” shall be substituted;

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

“(e) be responsible for complying with the requirements under any law for the time being in force on behalf of the corporate debtor.”.

Amendment of section 18.

14. In section 18 of the principal Act, in the *Explanation*, for the word “sub-section”, the word “section” shall be substituted.

Amendment of section 21.

15. In section 21 of the principal Act,—

(i) in sub-section (2),—

(a) in the proviso, for the words “related party to whom a corporate debtor owes a financial debt”, the words “financial creditor or the authorised representative of the financial creditor referred to in sub-section (6) or sub-section (6A) or sub-section (5) of section 24, if it is a related party of the corporate debtor,” shall be substituted;

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

“Provided further that the first proviso shall not apply to a financial creditor, regulated by a financial sector regulator, if it is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.”;

(ii) in sub-section (3), for the word “Where”, the words, brackets and figures and letter “Subject to sub-sections (6) and (6A), where” shall be substituted;

(iii) in sub-section (6), in the opening portion, the words “or issued as securities” shall be omitted;

(iv) after sub-section (6), the following sub-sections shall be inserted, namely:—

“(6A) Where a financial debt—

(a) is in the form of securities or deposits and the terms of the financial debt provide for appointment of a trustee or agent to act as authorised representative for all the financial creditors,

such trustee or agent shall act on behalf of such financial creditors;

(b) is owed to a class of creditors exceeding the number as may be specified, other than the creditors covered under clause (a) or sub-section (6), the interim resolution professional shall make an application to the Adjudicating Authority along with the list of all financial creditors, containing the name of an insolvency professional, other than the interim resolution professional, to act as their authorised representative who shall be appointed by the Adjudicating Authority prior to the first meeting of the committee of creditors;

(c) is represented by a guardian, executor or administrator, such person shall act as authorised representative on behalf of such financial creditors,

and such authorised representative under clause (a) or clause (b) or clause (c) shall attend the meetings of the committee of creditors, and vote on behalf of each financial creditor to the extent of his voting share.

(6B) The remuneration payable to the authorised representative—

(i) under clauses (a) and (c) of sub-section (6A), if any, shall be as per the terms of the financial debt or the relevant documentation; and

(ii) under clause (b) of sub-section (6A) shall be as specified which shall be jointly borne by the financial creditors.”;

(v) for sub-sections (7) and (8), the following sub-sections shall be substituted, namely:—

“(7) The Board may specify the manner of voting and the determining of the voting share in respect of financial debts covered under sub-sections (6) and (6A).

(8) Save as otherwise provided in this Code, all decisions of the committee of creditors shall be taken by a vote of not less than fifty-one per cent. of voting share of the financial creditors:

Provided that where a corporate debtor does not have any financial creditors, the committee of creditors shall be constituted and shall comprise of such persons to exercise such functions in such manner as may be specified.”.

16. In section 22 of the principal Act,—

(a) in sub-section (2), for the word, “seventy-five”, the word “sixty-six” shall be substituted;

Amendment of
section 22.

(b) in sub-section (3),—

(i) in clause (a), after the words “resolution professional”, the words “subject to a written consent from the interim resolution professional in the specified form” shall be inserted;

(ii) in clause (b), after the words “appointment of the proposed resolution professional”, the words “along with a written consent from the proposed resolution professional in the specified form” shall be inserted.

Amendment of section 23.

17. In section 23 of the principal Act, in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that the resolution professional shall, if the resolution plan under sub-section (6) of section 30 has been submitted, continue to manage the operations of the corporate debtor after the expiry of the corporate insolvency resolution process period until an order is passed by the Adjudicating Authority under section 31.”.

Amendment of section 24.

18. In section 24 of the principal Act, —

(i) in sub-section (3), in clause (a), for the words “Committee of creditors”, the words, brackets, figures and letter “committee of creditors, including the authorised representatives referred to in sub-sections (6) and (6A) of section 21 and sub-section (5)” shall be substituted;

(ii) in sub-section (5), for the words “Any creditor”, the words, brackets, figures and letters “Subject to sub-sections (6), (6A) and (6B) of section 21, any creditor” shall be substituted.

Insertion of new section 25A.

19. After section 25 of the principal Act, the following section shall be inserted, namely:—

Rights and duties of authorised representative of financial creditors.

‘25A.(1) The authorised representative under sub-section (6) or sub-section (6A) of section 21 or sub-section (5) of section 24 shall have the right to participate and vote in meetings of the committee of creditors on behalf of the financial creditor he represents in accordance with the prior voting instructions of such creditors obtained through physical or electronic means.

(2) It shall be the duty of the authorised representative to circulate the agenda and minutes of the meeting of the committee of creditors to the financial creditor he represents.

(3) The authorised representative shall not act against the interest of the financial creditor he represents and shall always act in accordance with their prior instructions:

Provided that if the authorised representative represents several financial creditors, then he shall cast his vote in respect of each financial creditor in accordance with instructions received from each financial creditor, to the extent of his voting share:

Provided further that if any financial creditor does not give prior instructions through physical or electronic means, the authorised representative shall abstain from voting on behalf of such creditor.

(4) The authorised representative shall file with the committee of creditors any instructions received by way of physical or electronic means, from the financial creditor he represents, for voting in accordance therewith, to ensure that the appropriate voting instructions of the financial creditor he represents is correctly recorded by the interim resolution professional or resolution professional, as the case may be.

Explanation.—For the purposes of this section, the “electronic means” shall be such as may be specified.’.

20. In section 27 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:— Amendment of section 27

“(2) The committee of creditors may, at a meeting, by a vote of sixty-six per cent. of voting shares, resolve to replace the resolution professional appointed under section 22 with another resolution professional, subject to a written consent from the proposed resolution professional in the specified form.”.

21. In section 28 of the principal Act, in sub-section (3), for the word, “seventy-five”, the word “sixty-six” shall be substituted. Amendment of section 28.

22. In section 29A of the principal Act,— Amendment of section 29A.

(i) in clause (c),—

(A) for the words “has an account,”, the words “at the time of submission of the resolution plan has an account,” shall be substituted;

(B) after the words and figures “the Banking Regulation Act, 1949”, the words “or the guidelines of a financial sector regulator issued under any other law for the time being in force,” shall be inserted;

(C) after the proviso, the following shall be inserted, namely:—

‘Provided further that nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.

Explanation I.—For the purposes of this proviso, the expression “related party” shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.

Explanation II.— For the purposes of this clause, where a resolution applicant has an account, or an account of a corporate

debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset and such account was acquired pursuant to a prior resolution plan approved under this Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under this Code;”;

(ii) for clause (d), the following clause shall be substituted, namely:—

“(d) has been convicted for any offence punishable with imprisonment—

(i) for two years or more under any Act specified under the Twelfth Schedule; or

(ii) for seven years or more under any other law for the time being in force:

Provided that this clause shall not apply to a person after the expiry of a period of two years from the date of his release from imprisonment:

Provided further that this clause shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I*;”;

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

“Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I*;”;

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

“Provided that this clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under this Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction;”;

(v) in clause (h),—

(A) for the words “an enforceable guarantee”, the words “a guarantee” shall be substituted;

(B) after the words “under this Code”, the words “and such guarantee has been invoked by the creditor and remains unpaid in full or part” shall be inserted;

(vi) in clause (i), for the words “has been”, the word “is” shall be substituted;

(vii) the *Explanation* occurring after clause (j) shall be numbered as *Explanation I*, and in *Explanation I* as so numbered, for the proviso, the following provisos shall be substituted, namely:—

‘Provided that nothing in clause (iii) of *Explanation I* shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor:

Provided further that the expression “related party” shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date;’;

(viii) after *Explanation I* as so numbered, the following *Explanation* shall be inserted, namely:—

‘*Explanation II*.—For the purposes of this section, “financial entity” shall mean the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:—

(a) a scheduled bank;

(b) any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International Organisation of Securities Commissions Multilateral Memorandum of Understanding;

(c) any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999;

(d) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the

Securitisation and Reconstruction of Financial Assets and
Enforcement of Security Interest Act, 2002;

54 of 2002.

(e) an Alternate Investment Fund registered with the
Securities and Exchange Board of India;

(f) such categories of persons as may be notified by
the Central Government.”.

Amendment of
section 30.

23. In section 30 of the principal Act,—

(i) in sub-section (1), after the words “resolution plan”, the words, figures and letter “along with an affidavit stating that he is eligible under section 29A” shall be inserted;

(ii) in sub-section (2),—

(A) in clauses (a) and (b), for the word “repayment” at both the places where it occurs, the word “payment” shall be substituted;

(B) after clause (f), the following *Explanation* shall be inserted, namely:—

“*Explanation.*— For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013 or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law.”;

18 of 2013.

(iii) in sub-section (4),—

(a) for the word “seventy-five”, the word “sixty-six” shall be substituted;

(b) after the third proviso, the following proviso shall be inserted, namely:—

“Provided also that the eligibility criteria in section 29A as amended by the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018 shall apply to the resolution applicant who has not submitted resolution plan as on the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018.”.

Amendment of
section 31.

24. In section 31 of the principal Act,—

(a) in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section,

satisfy that the resolution plan has provisions for its effective implementation.”;

(b) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) The resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.”

25. In section 33 of the principal Act, in sub-section (2), after the words “decision of the committee of creditors”, the words “approved by not less than sixty-six per cent. of the voting share” shall be inserted. Amendment of section 33.

26. In section 34 of the principal Act, — Amendment of section 34.

(a) in sub-section (1), for the words and letter “Chapter II shall”, the words and letter “Chapter II shall, subject to submission of a written consent by the resolution professional to the Adjudicatory Authority in specified form,” shall be substituted;

(b) in sub-section (4),—

(i) in clause (b), for the words “in writing.”, the words “in writing; or” shall be substituted;

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

“(c) the resolution professional fails to submit written consent under sub-section (1).”;

(c) in sub-section (5), for the word, brackets and letter “clause (a)”, the words, brackets and letters “clauses (a) and (c)” shall be substituted;

(d) in sub-section (6), after the words “another insolvency professional”, the words “along with written consent from the insolvency professional in the specified form,” shall be inserted.

27. In section 42 of the principal Act, after the words “of the liquidator”, the words “accepting or” shall be inserted. Amendment of section 42

28. In section 45 of the principal Act, in sub-section (1), the words and figures “of section 43” shall be omitted. Amendment of section 45.

29. In section 60 of the principal Act, — Amendment of section 60.

(a) in sub-section (2), for the words “bankruptcy of a personal guarantor of such corporate debtor”, the words “liquidation or bankruptcy

of a corporate guarantor or personal guarantor, as the case may be, of such corporate debtor” shall be substituted;

(b) in sub-section (3), for the words “bankruptcy proceeding of a personal guarantor of the corporate debtor”, the words “liquidation or bankruptcy proceeding of a corporate guarantor or personal guarantor, as the case may be, of the corporate debtor” shall be substituted.

Amendment of section 69.

30. In section 69 of the principal Act, for the words “On or after the insolvency commencement date, if”, the word “If” shall be substituted.

Amendment of section 76.

31. In section 76 of the principal Act,—

(a) in the marginal heading, for the word “repayment”, the word “payment” shall be substituted;

(b) in clause (a), for the word “repayment”, the word “payment” shall be substituted.

Amendment of section 196.

32. In section 196 of the principal Act, in sub-section (1),—

(i) after clause (a), the following clause shall be inserted, namely:—

“(aa) promote the development of, and regulate, the working and practices of, insolvency professionals, insolvency professional agencies and information utilities and other institutions, in furtherance of the purposes of this Code;”;

(ii) in clause (c), for the words “for the registration”, the words “for carrying out the purposes of this Code, including fee for registration and renewal” shall be substituted.

Amendment of section 231.

33. In section 231 of the principal Act, for the words “Adjudicating Authority” at both the places where they occur, the words “Adjudicating Authority or the Board” shall be substituted.

Insertion of new section 238A.

34. After section 238 of the principal Act, the following section shall be inserted, namely:—

Limitation.

“238A. The provisions of the Limitation Act, 1963 shall, as far as may be, apply to the proceedings or appeals before the Adjudicating Authority, the National Company Law Appellate Tribunal, the Debt Recovery Tribunal or the Debt Recovery Appellate Tribunal, as the case may be.”.

36 of 1963.

Amendment of section 239.

35. In section 239 of the principal Act, in sub-section (2),—

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

“(ea) other proof confirming that there is no payment of an unpaid operational debt by the corporate debtor or such other information under clause (e) of sub-section (3) of section 9;”;

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

“(fa) the manner of withdrawal of application under section 12A;”.

36. In section 240 of the principal Act, in sub-section (2),—

Amendment of section 240.

(i) clause (g) shall be omitted;

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

“(ja) the last date for submission of claims under clause (c) of sub-section (1) of section 15;”;

(iii) after clause (n), the following clauses shall be inserted, namely:—

“(na) the number of creditors within a class of creditors under clause (b) of sub-section (6A) of section 21;

(nb) the remuneration payable to authorised representative under clause (ii) of the proviso to sub-section (6B) of section 21;

(nc) the manner of voting and determining the voting share in respect of financial debts under sub-section (7) of section 21;”.

37. After section 240 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 240A.

‘240A.(1) Notwithstanding anything to the contrary contained in this Code, the provisions of clauses (c) and (h) of section 29A shall not apply to the resolution applicant in respect of corporate insolvency resolution process of any micro, small and medium enterprises.

Application of this Code to micro, small and medium enterprises.

(2) Subject to sub-section (1), the Central Government may, in the public interest, by notification, direct that any of the provisions of this Code shall—

(a) not apply to micro, small and medium enterprises; or

(b) apply to micro, small and medium enterprises, with such modifications as may be specified in the notification.

(3) A draft of every notification proposed to be issued under sub-section (2), shall be laid 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.

(4) If both Houses agree in disapproving the issue of notification or both Houses agree in making any modification in the notification, the notification shall not be issued or shall be issued only in such modified form as may be agreed upon by both the Houses, as the case may be.

(5) The period of thirty days referred to in sub-section (3) shall not include any period during which the House referred to in sub-section (4) is prorogued or adjourned for more than four consecutive days.

(6) Every notification issued under this section shall be laid, as soon as may be after it is issued, before each House of Parliament.

Explanation.— For the purposes of this section, the expression “micro, small and medium enterprises” means any class or classes of enterprises classified as such under sub-section (1) of section 7 of the Micro, Small and Medium Enterprises Development Act, 2006.’.

27 of 2006.

Insertion of new
Schedule.

38. After the Eleventh Schedule to the principal Act, the following Schedule shall be inserted, namely:—

“THE TWELFTH SCHEDULE
(See clause (d) of section 29A)

ACTS FOR THE PURPOSES OF CLAUSE (d) OF SECTION 29A

- (1) The Foreign Trade (Development and Regulation) Act, 1922 (22 of 1922);
- (2) The Reserve Bank of India Act, 1934 (2 of 1934);
- (3) The Central Excise Act, 1944 (1 of 1944);
- (4) The Prevention of Food Adulteration Act, 1954 (37 of 1954);
- (5) The Essential Commodities Act, 1955 (10 of 1955);
- (6) The Securities Contracts (Regulation) Act, 1956 (42 of 1956);
- (7) The Income-tax Act, 1961 (43 of 1961);
- (8) The Customs Act, 1962 (52 of 1962);
- (9) The Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974);
- (10) The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974);
- (11) The Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981);
- (12) The Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986);
- (13) The Environment (Protection) Act, 1986 (29 of 1986);
- (14) The Prohibition of Benami Property Transactions Act, 1988 (45 of 1988);
- (15) The Prevention of Corruption Act, 1988 (49 of 1988);

(16) The Securities and Exchange Board of India Act, 1992 (15 of 1992);

(17) The Foreign Exchange Management Act, 1999 (42 of 1999);

(18) The Competition Act, 2002 (12 of 2003);

(19) The Prevention of Money-laundering Act, 2002 (15 of 2003);

(20) The Limited Liability Partnership Act, 2008 (6 of 2009);

(21) The Foreign Contribution (Regulation) Act, 2010 (42 of 2010);

(22) The Companies Act, 2013 (18 of 2013) or any previous company law;

(23) The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 (22 of 2015);

(24) The Insolvency and Bankruptcy Code, 2016 (31 of 2016);

(25) The Central Goods and Services Tax Act, 2017 (12 of 2017) and respective State Acts imposing State goods and services tax;

(26) such other Acts as may be notified by the Central Government.”.

39. In section 434 of the Companies Act, 2013, [as substituted by paragraph 34 of the Eleventh Schedule to the Insolvency and Bankruptcy Code, 2016], in sub-section (1), in clause (c), after the proviso, the following proviso shall be inserted, namely:—

Amendment of section 434 of Act 18 of 2013.

“Provided further that any party or parties to any proceedings relating to the winding up of companies pending before any Court immediately before the commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018, may file an application for transfer of such proceedings and the Court may by order transfer such proceedings to the Tribunal and the proceedings so transferred shall be dealt with by the Tribunal as an application for initiation of corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016.”.

31 of 2016.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.

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KUMAR

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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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सं० 48]

नई दिल्ली, बुधवार, सितम्बर 19, 2018/ भाद्र 28, 1940 (शक)

No. 48] NEW DELHI, WEDNESDAY, SEPTEMBER 19, 2018/BHADRA 28, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 19th September, 2018/Bhadra 28, 1940 (Saka)

THE MUSLIM WOMEN (PROTECTION OF RIGHTS ON MARRIAGE)
ORDINANCE, 2018

NO. 7 OF 2018

Promulgated by the President in the Sixty-ninth Year of
the Republic of India.

An Ordinance to protect the rights of married Muslim
women and to prohibit divorce by pronouncing *talaq* by
their husbands and for matters connected therewith or
incidental thereto;

WHEREAS the Muslim Women (Protection of
Rights on Marriage) Bill, 2017 has been passed by the
House of the People and is pending in the Council of
States;

AND WHEREAS inspite of the fact that the Supreme Court has held in the matter of Shayara Bano *Versus* Union of India and others [Writ Petition (Civil) No. 118 of 2016] and other connected matters that the practice of *triple talaq (talaq-e-biddat)* as unconstitutional, the said practice is still continuing unabated;

AND WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action to give effect to the provisions of the said Bill with certain modifications;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

CHAPTER I PRELIMINARY

Short title, extent and commencement.

1. (1) This Ordinance may be called the Muslim Women (Protection of Rights on Marriage) Ordinance, 2018.

(2) It shall extend to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force at once.

Definitions.

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

(a) “electronic form” shall have the same meaning as assigned to it in clause (r) of sub-section (1) of section 2 of the Information Technology Act, 2000;

(b) “*talaq*” means *talaq-e-biddat* or any other similar form of *talaq* having the effect of instantaneous

and irrevocable divorce pronounced by a Muslim husband; and

(c) "Magistrate" means a Judicial Magistrate of the First Class exercising jurisdiction under the Code of Criminal Procedure, 1973, in the area where the married Muslim woman resides.

2 of 1974.

CHAPTER II

DECLARATION OF *TALAQ* TO BE *VOID* AND ILLEGAL

3. Any pronouncement of *talaq* by a Muslim husband upon his wife, by words, either spoken or written or in electronic form or in any other manner whatsoever, shall be *void* and illegal. *Talaq* to be *void* and illegal.

4. Any Muslim husband who pronounces *talaq* referred to in section 3 upon his wife shall be punished with imprisonment for a term which may extend to three years, and shall also be liable to fine. Punishment for pronouncing *talaq*.

CHAPTER III

PROTECTION OF RIGHTS OF MARRIED MUSLIM WOMEN

5. Without prejudice to the generality of the provisions contained in any other law for the time being in force, a married Muslim woman upon whom *talaq* is pronounced shall be entitled to receive from her husband such amount of subsistence allowance for her and dependent children as may be determined by the Magistrate. Subsistence allowance.

6. Notwithstanding anything contained in any other law for the time being in force, a married Muslim woman shall be entitled to custody of her minor children in the Custody of minor children.

event of pronouncement of *talaq* by her husband, in such manner as may be determined by the Magistrate.

Offence to be cognizable, compoundable, etc.

7. Notwithstanding anything contained in the Code of Criminal Procedure, 1973,—

2 of 1974

(a) an offence punishable under this Ordinance shall be cognizable, if information relating to the commission of the offence is given to an officer in charge of a police station by the married Muslim woman upon whom *talaq* is pronounced or any person related to her by blood or marriage;

(b) an offence punishable under this Ordinance shall be compoundable, at the instance of the married Muslim woman upon whom *talaq* is pronounced with the permission of the Magistrate, on such terms and conditions as he may determine;

(c) no person accused of an offence punishable under this Ordinance shall be released on bail unless the Magistrate, on an application filed by the accused and after hearing the married Muslim woman upon whom *talaq* is pronounced, is satisfied that there are reasonable grounds for granting bail to such person.

RAMNATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

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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.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 26th September, 2018/ Asvina 4, 1940 (Saka)

THE INDIAN MEDICAL COUNCIL (AMENDMENT) ORDINANCE, 2018 NO. 8 OF 2018

Promulgated by the President in the Sixty-ninth Year of the
Republic of India.

An Ordinance further to amend the Indian Medical Council
Act, 1956.

WHEREAS Parliament is not in session and the President is
satisfied that circumstances exist which render it necessary for
him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by
clause (1) of article 123 of the Constitution, the President is
pleased to promulgate the following Ordinance:-

1. (1) This Ordinance may be called the Indian Medical Council
(Amendment) Ordinance, 2018.

Short title and
commencement.

(2) It shall come into force at once.

102 of 1956.

2. In section 3A of the Indian Medical Council Act, 1956,—

Amendment of
section 3A.

(a) in sub-section (1), for the words, brackets and figures “Indian Medical Council (Amendment) Act, 2010”, the words, brackets and figures “Indian Medical Council (Amendment) Ordinance, 2018” shall be substituted;

(b) in sub-section (2), for the words “three years”, the words “one year” shall be substituted;

(c) in sub-section (4), for the words “and medical education”, the words “and medical education or proven administrative capacity and experience” shall be substituted;

(d) after sub-section (7), the following sub-section shall be inserted, namely:—

“(7A) The Board of Governors shall be assisted by a Secretary General who shall be appointed by the Central Government on deputation or contract basis and he shall be the head of the secretariat in the Council.”.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



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EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

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No. 50] NEW DELHI, FRIDAY, NOVEMBER 02, 2018/KARTIKA 11, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 2nd November, 2018/Kartika 11, 1940 (Saka)

THE COMPANIES (AMENDMENT) ORDINANCE, 2018

NO. 9 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India.

An Ordinance further to amend the Companies Act, 2013.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

NOW, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

1. (1) This Ordinance may be called the Companies (Amendment) Ordinance, 2018.

Short title and commencement.

(2) It shall come into force at once.

Amendment
of section 2.

2. In section 2 of the Companies Act, 2013 (hereinafter referred to as the principal Act), in clause (41),—

(a) for the first proviso, the following provisos shall be substituted, namely:—

“Provided that where a company or body corporate, which is a holding company or a subsidiary or associate company of a company incorporated outside India and is required to follow a different financial year for consolidation of its accounts outside India, the Central Government may, on an application made by that company or body corporate in such form and manner as may be prescribed, allow any period as its financial year, whether or not that period is a year:

Provided further that any application pending before the Tribunal as on the date of commencement of the Companies (Amendment) Ordinance, 2018, shall be disposed of by the Tribunal in accordance with the provisions applicable to it before such commencement.”;

(b) in the second proviso, for the words “Provided further that”, the words “Provided also that” shall be substituted.

Insertion of
new section
10A.

3. After section 10 of the principal Act, the following section shall be inserted, namely:—

Commence-
ment of
business, etc.

“10A.(1) A company incorporated after the commencement of the Companies (Amendment) Ordinance, 2018 and having a share capital shall not commence any business or exercise any borrowing powers unless—

(a) a declaration is filed by a director within a period of one hundred and eighty days of the date of incorporation of the company in such form and verified in such manner as may be prescribed, with the Registrar that every subscriber to the memorandum has paid the value of the shares agreed to be taken by him on the date of making of such declaration; and

(b) the company has filed with the Registrar a verification of its registered office as provided in sub-section (2) of section 12.

(2) If any default is made in complying with the requirements of this section, the company shall be liable to a penalty of fifty thousand rupees and every officer who is in default shall be liable to a penalty of one thousand rupees

for each day during which such default continues but not exceeding an amount of one lakh rupees.

(3) Where no declaration has been filed with the Registrar under clause (a) of sub-section (1) within a period of one hundred and eighty days of the date of incorporation of the company and the Registrar has reasonable cause to believe that the company is not carrying on any business or operations, he may, without prejudice to the provisions of sub-section (2), initiate action for the removal of the name of the company from the register of companies under Chapter XVIII.

4. In section 12 of the principal Act, after sub-section (8), the following sub-section shall be inserted, namely:— Amendment of section 12.

“(9) If the Registrar has reasonable cause to believe that the company is not carrying on any business or operations, he may cause a physical verification of the registered office of the company in such manner as may be prescribed and if any default is found to be made in complying with the requirements of sub-section (1), he may without prejudice to the provisions of sub-section (8), initiate action for the removal of the name of the company from the register of companies under Chapter XVIII.”

5. In section 14 of the principal Act,— Amendment of section 14.

(i) in sub-section (1), for the second proviso, the following provisos shall be substituted, namely:—

“Provided further that any alteration having the effect of conversion of a public company into a private company shall not be valid unless it is approved by an order of the Central Government on an application made in such form and manner as may be prescribed:

Provided also that any application pending before the Tribunal, as on the date of commencement of the Companies (Amendment) Ordinance, 2018, shall be disposed of by the Tribunal in accordance with the provisions applicable to it before such commencement.”;

(ii) in sub-section (2), for the word “Tribunal”, the words “Central Government” shall be substituted.

6. In section 53 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:— Amendment of section 53.

“(3) Where any company fails to comply with the provisions of this section, such company and every officer who is in default shall be liable to a penalty which may extend to an amount equal to the amount raised through the issue of shares at a discount or five lakh rupees, whichever is less, and the company shall also be liable to refund all monies received with interest at the rate of twelve per cent. per annum from the date of issue of such shares to the persons to whom such shares have been issued.”.

Amendment
of section 64.

7. In section 64 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where any company fails to comply with the provisions of sub-section (1), such company and every officer who is in default shall be liable to a penalty of one thousand rupees for each day during which such default continues, or five lakh rupees whichever is less.”.

Amendment
of section 77.

8. In section 77 of the principal Act, in sub-section (1), for the first and second provisos, the following provisos shall be substituted, namely:—

“Provided that the Registrar may, on an application by the company, allow such registration to be made—

(a) in case of charges created before the commencement of the Companies (Amendment) Ordinance, 2018, within a period of three hundred days of such creation; or

(b) in case of charges created on or after the commencement of the Companies (Amendment) Ordinance, 2018, within a period of sixty days of such creation,

on payment of such additional fees as may be prescribed:

Provided further that if the registration is not made within the period specified—

(a) in clause (a) to the first proviso, the registration of the charge shall be made within six months from the date of commencement of the Companies (Amendment) Ordinance, 2018, on payment of such additional fees as may be prescribed and different fees may be prescribed for different classes of companies;

(b) in clause (b) to the first proviso, the Registrar may, on an application, allow such registration to be

made within a further period of sixty days after payment of such *advalorem* fees as may be prescribed.”.

9. Section 86 of the principal Act shall be numbered as sub-section (1) thereof and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

Amendment of section 86.

“(2) If any person wilfully furnishes any false or incorrect information or knowingly suppresses any material information, required to be registered in accordance with the provisions of section 77, he shall be liable for action under section 447.”.

10. For section 87 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 87.

“87. The Central Government on being satisfied that —

Rectification by Central Government in Register of charges.

(a) the omission to give intimation to the Registrar of the payment or satisfaction of a charge, within the time required under this Chapter; or

(b) the omission or misstatement of any particulars with respect to any such charge or modification or with respect to any memorandum of satisfaction or other entry made in pursuance of section 82 or section 83,

was accidental or due to inadvertence or some other sufficient cause or it is not of a nature to prejudice the position of creditors or shareholders of the company, it may, on the application of the company or any person interested and on such terms and conditions as the Central Government deems just and expedient, direct that the time for the giving of intimation of payment or satisfaction shall be extended or, as the case may require, that the omission or misstatement shall be rectified.”.

11. In section 90 of the principal Act,—

Amendment of section 90.

(i) for sub-section (9), the following sub-section shall be substituted, namely:—

“(9) The company or the person aggrieved by the order of the Tribunal may make an application to the Tribunal for relaxation or lifting of the restrictions placed under sub-section (8), within a period of one year from the date of such order:

Provided that if no such application has been filed within a period of one year from the date of the order under sub-section (8), such shares shall be transferred to the authority constituted under sub-section (5) of section 125, in such manner as may be prescribed;

(ii) in sub-section (10),—

(a) after the word “punishable”, the words “with imprisonment for a term which may extend to one year or” shall be inserted;

(b) after the words “ten lakh rupees”, the words “or with both” shall be inserted.

Amendment
of section 92.

12. In section 92 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) If any company fails to file its annual return under sub-section (4), before the expiry of the period specified therein, such company and its every officer who is in default shall be liable to a penalty of fifty thousand rupees and in case of continuing failure, with further penalty of one hundred rupees for each day during which such failure continues, subject to a maximum of five lakh rupees.”.

Amendment
of section
102.

13. In section 102 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) Without prejudice to the provisions of sub-section (4), if any default is made in complying with the provisions of this section, every promoter, director, manager or other key managerial personnel of the company who is in default shall be liable to a penalty of fifty thousand rupees or five times the amount of benefit accruing to the promoter, director, manager or other key managerial personnel or any of his relatives, whichever is higher.”.

Amendment
of section
105.

14. In section 105 of the principal Act, in sub-section (3), for the words “punishable with fine which may extend to five thousand rupees”, the words “liable to a penalty of five thousand rupees” shall be substituted.

Amendment of
section 117.

15. In section 117 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) If any company fails to file the resolution or the agreement under sub-section (1) before the expiry of the period specified therein, such company shall be liable to a penalty of one lakh rupees and in case of continuing failure,

with further penalty of five hundred rupees for each day after the first during which such failure continues, subject to a maximum of twenty-five lakh rupees and every officer of the company who is in default including liquidator of the company, if any, shall be liable to a penalty of fifty thousand rupees and in case of continuing failure, with further penalty of five hundred rupees for each day after the first during which such failure continues, subject to a maximum of five lakh rupees.”.

16. In section 121 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:— Amendment of section 121.

“(3) If the company fails to file the report under sub-section (2) before the expiry of the period specified therein, such company shall be liable to a penalty of one lakh rupees and in case of continuing failure, with further penalty of five hundred rupees for each day after the first during which such failure continues, subject to a maximum of five lakh rupees and every officer of the company who is in default shall be liable to a penalty which shall not be less than twenty-five thousand rupees and in case of continuing failure, with further penalty of five hundred rupees for each day after the first during which such failure continues, subject to a maximum of one lakh rupees.”.

17. In section 137 of the principal Act, in sub-section (3),— Amendment of section 137.

(a) for the words “punishable with fine”, the words “liable to a penalty” shall be substituted;

(b) for the words “punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees or with both”, the words “shall be liable to a penalty of one lakh rupees and in case of continuing failure, with further penalty of one hundred rupees for each day after the first during which such failure continues, subject to a maximum of five lakh rupees” shall be substituted.

18. In section 140 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:— Amendment of section 140.

“(3) If the auditor does not comply with the provisions of sub-section (2), he or it shall be liable to a penalty of fifty thousand rupees or an amount equal to the remuneration of the auditor, whichever is less, and in case of continuing failure, with further penalty of five hundred rupees for each day after the first during which such failure continues,

subject to a maximum of five lakh rupees.”.

Amendment
of section
157.

19. In section 157 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) If any company fails to furnish the Director Identification Number under sub-section (1), such company shall be liable to a penalty of twenty-five thousand rupees and in case of continuing failure, with further penalty of one hundred rupees for each day after the first during which such failure continues, subject to a maximum of one lakh rupees, and every officer of the company who is in default shall be liable to a penalty of not less than twenty-five thousand rupees and in case of continuing failure, with further penalty of one hundred rupees for each day after the first during which such failure continues, subject to a maximum of one lakh rupees.”.

Substitution
of new section
for section
159.

20. For section 159 of the principal Act, the following section shall be substituted, namely:—

Penalty for
default of
certain
provisions.

“159. If any individual or director of a company makes any default in complying with any of the provisions of section 152, section 155 and section 156, such individual or director of the company shall be liable to a penalty which may extend to fifty thousand rupees and where the default is a continuing one, with a further penalty which may extend to five hundred rupees for each day after the first during which such default continues.”.

Amendment
of section
164.

21. In section 164 of the principal Act, in sub-section (1), after clause (h), the following clause shall be inserted, namely:—

“(i) he has not complied with the provisions of sub-section (1) of section 165.”.

Amendment
of section
165.

22. In section 165 of the principal Act, in sub-section (6), for the portion beginning with “punishable with fine” and ending with “contravention continues”, the words “liable to a penalty of five thousand rupees for each day after the first during which such contravention continues” shall be substituted.

Amendment
of section
191.

23. In section 191 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) If a director of the company makes any default in complying with the provisions of this section, such director

shall be liable to a penalty of one lakh rupees.”.

24. In section 197 of the principal Act,—

Amendment of
section 197.

(a) sub-section (7) shall be omitted;

(b) for sub-section (15), the following sub-section shall be substituted, namely:—

“(15) If any person makes any default in complying with the provisions of this section, he shall be liable to a penalty of one lakh rupees and where any default has been made by a company, the company shall be liable to a penalty of five lakh rupees.”.

25. In section 203 of the principal Act, for sub-section (5), the following sub-section shall be substituted, namely:—

Amendment of
section 203.

“(5) If any company makes any default in complying with the provisions of this section, such company shall be liable to a penalty of five lakh rupees and every director and key managerial personnel of the company who is in default shall be liable to a penalty of fifty thousand rupees and where the default is a continuing one, with a further penalty of one thousand rupees for each day after the first during which such default continues but not exceeding five lakh rupees.”.

26. In section 238 of the principal Act, in sub-section (3), for the words “punishable with fine which shall not be less than twenty-five thousand rupees but which may extend to five lakh rupees”, the words “liable to a penalty of one lakh rupees” shall be substituted.

Amendment of
section 238.

27. In section 248 of the principal Act, in sub-section (1), —

Amendment of
section 248.

(a) in clause (c), for the word and figures “section 455,”, the words and figures “section 455; or” shall be substituted;

(b) after clause (c) and before the long line, the following clauses shall be inserted, namely:—

“(d) the subscribers to the memorandum have not paid the subscription which they had undertaken to pay at the time of incorporation of a company and a declaration to this effect has not been filed within one hundred and eighty days of its incorporation under sub-section (1) of section 10A; or

(e) the company is not carrying on any business or operations, as revealed after the physical verification carried out under sub-section (9) of section 12.”.

Amendment of section 441.

28. In section 441 of the principal Act,—

(a) in sub-section (1), in clause (b), for the words “does not exceed five lakh rupees”, the words “does not exceed twenty-five lakh rupees” shall be substituted;

(b) for sub-section (6), the following sub-section shall be substituted, namely:—

“(6) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence which is punishable under this Act with imprisonment only or with imprisonment and also with fine shall not be compoundable.”.

2 of 1974.

Amendment of section 446B.

29. In section 446B of the principal Act, for the portion beginning with “punishable with fine” and ending with “specified in such sections”, the words “liable to a penalty which shall not be more than one half of the penalty specified in such sections” shall be substituted.

Amendment of section 447.

30. In section 447 of the principal Act, in the second proviso, for the words “twenty lakh rupees”, the words “fifty lakh rupees” shall be substituted.

Amendment of section 454.

31. In section 454 of the principal Act, —

(i) for sub-section (3), the following sub-section shall be substituted, namely: —

“(3) The adjudicating officer may, by an order—

(a) impose the penalty on the company, the officer who is in default, or any other person, as the case may be, stating therein any non-compliance or default under the relevant provisions of this Act; and

(b) direct such company, or officer who is in default, or any other person, as the case may be, to rectify the default, wherever he considers fit.”;

(ii) in sub-section (8), —

(a) in clause (i), for the words “does not pay the penalty imposed by the adjudicating officer or the Regional Director”, the words, brackets and figures

“fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be,” shall be substituted;

(b) in clause (ii), for the words “does not pay the penalty”, the words, brackets and figures “fails to comply with the order made under sub-section (3) or sub-section (7), as the case may be,” shall be substituted.

32. After section 454 of the principal Act, the following section shall be inserted, namely:—

Insertion of a
new section
454A.

“454A. Where a company or an officer of a company or any other person having already been subjected to penalty for default under any provisions of this Act, again commits such default within a period of three years from the date of order imposing such penalty passed by the adjudicating officer or the Regional Director, as the case may be, it or he shall be liable for the second or subsequent defaults for an amount equal to twice the amount of penalty provided for such default under the relevant provisions of this Act.”

Penalty for
repeated default.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 26th March, 2018/Chaitra 5, 1940 (Saka)

THE DAMAN AND DIU MUNICIPALITIES (AMENDMENT) REGULATION, 2018

NO. 1 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India.

A Regulation further to amend the Daman and Diu Municipalities Regulation, 1968.

In exercise of the powers conferred by article 240 of the Constitution, the President is pleased to promulgate the following Regulation made by him:—

1. (1) This Regulation may be called the Daman and Diu Municipalities (Amendment) Regulation, 2018.

(2) It shall come into force at once.

2. Throughout the Daman and Diu Municipalities Regulation, 1968 (hereinafter referred to as the principal Regulation), for the words “servant” and “servants”, wherever they occur, the words “employee” and “employees” shall respectively be substituted, and such other consequential amendments as the rules of grammar may require shall also be made.

Short title
and
commencement.

Substitution
of reference
of certain
expressions by
certain other
expressions.

- Amendment of section 1. **3.** In section 1 of the principal Regulation, for sub-section (2), the following sub-section shall be substituted, namely:—
“(2) It extends to the whole of the Union territory of Daman and Diu.”.
- Amendment of section 2. **4.** In section 2 of the principal Regulation, for clause (33), the following clause shall be substituted, namely:—
‘(33) “officer or employee of the Council” means an officer or employee appointed by the Chief Officer or the Government and includes any Government officer or employee who is for the time being serving under the Council.’.
- Amendment of section 9A. **5.** In section 9A of the principal Regulation,—
(i) in sub-section (2), for the word “one-third”, the word “one-half” shall be substituted;
(ii) in sub-section (3), for the word “one-third”, the word “one-half” shall be substituted.
- Amendment of section 13. **6.** In section 13 of the principal Regulation,—
(i) in sub-section (1), after the words “by ballot”, the words “or by Electronic Voting Machine” shall be inserted;
(ii) after sub-section (2), the following sub-section shall be inserted, namely:—
‘(3) Notwithstanding anything contained in this Regulation or the rules made thereunder, the giving or recording of vote by Electronic Voting Machine may be adopted in such ward or wards of the Council as the Election Commission may, having regard to the circumstances of each case, specify.
Explanation.—For the purposes of this section, “Electronic Voting Machine” means any machine or apparatus whether operated electronically or otherwise, used for giving or recording of vote and any reference to a ballot box or ballot paper in this Regulation or the rules made thereunder shall, save as otherwise provided, be construed as including a reference to such Electronic Voting Machine wherever such Electronic Voting Machine is used at any election.’.
- Amendment of section 16. **7.** In section 16 of the principal Regulation, in sub-section (1), after clause (l), the following clauses shall be inserted, namely:—
“(m) is so disqualified by or under any law for the time being in force for the purposes of election to the House of the People; or
(n) is disqualified on ground of defection under Schedule X.”.
- Amendment of section 23. **8.** In section 23 of the principal Regulation, in sub-section (3), the following proviso shall be inserted, namely:—
“Provided that no symbol allotted under this Regulation to a candidate shall be deemed to be a religious symbol or a national symbol for the purposes of this sub-section.”.
- Substitution of new section for section 24. **9.** For section 24 of the principal Regulation, the following section shall be substituted, namely:—
‘24. (1) No person shall—
(a) convene, hold or attend, join or address any public meeting or procession in connection with an election; or
(b) display to the public any election matter by means of cinematograph, television or other similar apparatus; or
(c) propagate any election matter to the public by holding, or by arranging the holding of, any musical concert or any theatrical performance or any other entertainment or amusement with a view to attracting the public thereto,
in any polling area during the period of forty-eight hours ending with the hour fixed for the conclusion of the poll for any election.
- Prohibition of public meeting during period of forty-eight hours ending with hour fixed for conclusion of poll.

(2) Any person who contravenes the provisions of sub-section (1) shall, on conviction, be punished with imprisonment for a term which may extend to two years, or with fine, or with both.

Explanation.—For the purposes of this section, the expression “election matter” means any matter intended or calculated to influence or affect the result of an election.’.

10. In section 25 of the principal Regulation, in sub-section (2), for the words “with fine which may extend to two hundred and fifty rupees”, the following shall be substituted, namely:—

Amendment
of section 25.

“with imprisonment for a term which may extend to six months, or with fine which may extend to two thousand rupees or with both”.

11. In section 51 of the principal Regulation,—

Amendment
of section 51.

(i) in sub-section (3), in clause (u), for the letters, figures and words “Rs. 200 and the total expenditure during the year does not exceed Rs.1000”, the words “such amount as may be notified in the Official Gazette by the Government and the total expenditure during the year does not exceed such amount as may be notified in the Official Gazette by the Government” shall be substituted;

(ii) in sub-section (5), in clause (a), for the words, letters and figures “Chapter XXXIV of the Code of Criminal Procedure, 1898”, the words, letters and figures “Chapter XXV of the Code of Criminal Procedure, 1973” shall be substituted.

5 of 1898.
2 of 1974.

12. In section 52 of the principal Regulation,—

Amendment
of section 52.

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

“(2) On the constitution of a Council under this Regulation, the Collector shall convene a special meeting of the Councillors for election of a President and a Vice-President in such manner as may be prescribed;”;

(ii) sub-section (3), sub-section (4) and sub-section (5) shall be omitted;

(iii) for sub-section (8), the following sub-section shall be substituted, namely:—

“(8) If there is a vacancy in the office of the President or Vice-President due to any reason whatsoever, the vacancy shall be filled at the same procedure as provided in sub-section (2).”.

13. In section 54 of the principal Regulation, in sub-section (2), for the word “receipt”, the word “acceptance” shall be substituted.

Amendment
of section 54.

14. In section 56 of the principal Regulation,—

Amendment
of section 56.

(i) in sub-section (1), the following proviso shall be inserted, namely:—

“Provided that no such resolution shall be moved within a period of six months from the date of the assumption of office by the President or Vice-President, as the case may be.”;

(ii) in sub-section (2), for the word “one-fourth”, the word “one-third” shall be substituted;

(iii) in sub-section (3), for the word “Director”, wherever they occur, the word “Collector” shall be substituted.

(iv) for sub-section (4), the following shall be substituted, namely:—

“(4) Every President or Vice-President of the Council may be removed from his office if a resolution of the Council expressing want of confidence in him is passed by a majority of the total members of the Council present at a meeting specially convened for the purpose:

Provided that no such resolution shall be moved unless,—

(a) a notice of the intention to move the resolution has been given within such period as may be prescribed and signed by a majority of one-third of members of the Council; and

(b) it contains a proposal for election of a new President or Vice-President of the Council.

(5) At any meeting of the Council, while any resolution for removal of the President from his office is under consideration, the President, or while any resolution for removal of the Vice-President from his office is under consideration, the Vice-President, shall not, though he is present, preside.

(6) The meeting shall be presided over by the Vice-President if the motion is against the President and by the President if the motion is against the Vice-President.

(7) At any meeting of the Council, while any resolution for electing a successor to the office of the President is under consideration, the candidate to the office of the President, or while any resolution for electing a successor to the office of the Vice-President is under consideration, the candidate to the office of the Vice-President, shall not, though he is present, preside.

(8) The President or Vice-President shall have right to speak in, and otherwise to take part in the proceeding of such meeting of, the Council while any resolution for removal from his office is under consideration in the Council and shall be entitled to vote only in the first instance on such resolution or on any other matter during such proceeding but not in the case of an equality of votes.

(9) The provisions of sub-sections (6), (7) and (8) shall apply *mutatis mutandis* to the person contesting the election for the post of President or Vice-President of the Council.

(10) The procedure to be followed for the meeting shall be such as may be prescribed.”.

Amendment
of section 58.

15. In section 58 of the principal Regulation, in sub-section (4), for the words “two thousand rupees”, the words “five thousand rupees” shall be substituted.

Amendment
of section 59.

16. In section 59 of the principal Regulation, in sub-section (1), in clause (d), for the words “servants of the Council”, the words “employees of the Council through Chief Officer” shall be substituted.

Amendment
of section 63.

17. In section 63 of the principal Regulation,—

(a) in sub-section (1), for the words “appoint such Subjects Committees”, the words “appoint not more than three Subjects Committees” shall be substituted;

(b) in sub-section (2), after the word “Councillors”, the words “or five members whichever is more” shall be inserted;

(c) in sub-section (3), for the words “five members, as it may determine”, the words “three members” shall be substituted;

(d) in sub-section (4),—

(i) in clause (a), after the words “Standing Committee”, the words “and allocating one or more than one subject to the Standing Committee and Subjects Committees” shall be inserted;

(ii) for clause (b), the following clause shall be substituted, namely:—

“(b) determining the number of member of the Subjects Committee or Committees, if any, to be appointed, and if more than one such Committees are to be appointed, the Subjects Committees of which the Vice-President shall be *ex officio* Chairman.”;

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

“Provided that no Councillor shall be eligible to be elected to more than one Subjects Committees.”.

18. In section 64 of the principal Regulation,—

Amendment
of section 64.

(a) for the words “the last preceding section”, the word and figures “section 63” shall be substituted;

(b) in clause (c), after the words “elected by the Councillors”, the words “excluding President, Vice-President and members of any Subjects Committee or Committees” shall be inserted;

(c) proviso shall be omitted.

19. For section 65 of the principal Regulation, the following section shall be substituted, namely:—

Substitution
of new
section for
section 65.

“65. A Council may, from time to time, refer to a Subjects Committee appointed under section 63 such special subjects or matters relating to the purposes of this Regulation, for opinion or inquiry as the Council may think fit and it may direct such Subjects Committee to submit its report either to it or to the Standing Committee.”.

Reference of
special
subjects or
matters to
Subjects
Committee.

20. For section 68 of the principal Regulation, the following section shall be substituted, namely:—

Substitution
of new
section for
section 68.

“68. Each Council shall make bye-laws specifying the powers to be exercised by the Standing Committee and the Subjects Committees, if any, including the subjects to be allotted to such Committees.”.

Powers of
Standing
Committees
and Subjects
Committees.

21. In section 69 of the principal Regulation, for the words, letters and figures “not exceed Rs.50,000 and Rs.10,000 respectively”, the words “not exceed such amount as may be notified in the Official Gazette by the Government” shall be substituted.

Amendment
of section 69.

22. In section 72 of the principal Regulation,—

Amendment
of section 72.

(i) in sub-section (4), for the word “Council”, the word “Government” shall be substituted;

(ii) in sub-section (5), in clause (b), the words, brackets, letters and figures “, whose minimum salary (exclusive of allowance) is not less than Rs.225/- per month” shall be omitted.

23. For section 73 of the principal Regulation, the following section shall be substituted, namely:—

Substitution of
new section
for section 73.

“73. (1) A Council may, with the sanction of the Director, create such post of officers and employees other than those specified in sub-sections (1) and (2) of section 72 as it shall deem necessary for efficient execution of its duties under this Regulation.

Appointment
of other
officers and
employees.

(2) The qualifications, pay, allowances, and other conditions of service and method of recruitment of any such officers and employees shall, by general or special order, be made by the Government in this behalf.

(3) The power of making appointment to any post referred to in sub-section (1) shall vest in the Chief Officer with the prior approval of the Director.”.

Amendment
of section 74.

24. In section 74 of the principal Regulation, in sub-section (1),—

(i) in clause (a), for the word “President”, the word “Council” shall be substituted;

(ii) in clause (b), after the word “Council”, the following shall be inserted, namely:—

“and the Standing Committee:

Provided that if it appears to the Chief Officer that any decision or resolution is against public interest or harmony, or is otherwise *ultra vires*, he shall refer the decision or resolution to the Collector for clarification or decision, and after a clarification or decision in this regard is received from the Collector, unless otherwise directed to do so in writing by the Collector, the Chief Officer shall implement the decision or resolution;”;

(iii) after clause (h), the following clause shall be inserted, namely:—

“(i) undertake such minor repair or maintenance work as may be notified in the Official Gazette by the Government within the financial limits.”.

Amendment
of section 75.

25. In section 75 of the principal Regulation, for the words “Standing Committee”, the words “Chief Officer” shall be substituted.

Substitution of
new section
for section 76.

26. For section 76 of the principal Regulation, the following section shall be substituted, namely:—

Punishment of
officers and
employees.

“76. (1) Without prejudice to the provisions of any law for the time being in force, the following penalties may, for good reasons, be imposed upon any officer or employee of the Council,—

(a) minor penalties—

(i) censure;

(ii) withholding of promotion;

(iii) recovery from his pay of the whole or part of any pecuniary loss caused by him to the Council by negligence or breach of orders;

(iv) withholding of increments of pay;

(b) major penalties—

(i) reduction to a lower post on a fixed pay or a time scale or to a lower stage in a time scale;

(ii) removal from the service, which does not disqualify from future employment;

(iii) dismissal from the service, which ordinarily disqualifies from future employment.

(2) The major penalties mentioned in clause (b) of sub-section (1) may be imposed on an officer or employee of the Council by the authority competent to make the appointment of the officer or employee:

Provided that the minor penalties mentioned in clause (a) of sub-section (1) may be imposed on an officer other than an officer belonging to the common cadre specified in sub-section (5) of section 72 or an employee of the Council, by the Chief Officer:

Provided further that suspension of an officer or employee pending inquiry into the allegations against such officer or employee shall not be deemed to be a penalty and shall be ordered only by the authority competent to make appointment to the post held by such officer or employee.

(3) No officer or employee shall be imposed major penalties mentioned in clause (b) of sub-section (1) unless he has been given a reasonable opportunity of showing cause against such penalties:

Provided that this sub-section shall not apply where a person is reduced, removed or dismissed on the ground of conduct which has led to his conviction on a criminal charge.

(4) No major penalty mentioned in clause (b) of sub-section (1) shall be imposed on any officer or employee appointed under sub-section (3) of section 73 without the prior approval of the Director.

(5) In every case referred to the Director under sub-section (4), the Director shall not refuse to give his approval unless he is satisfied that—

- (i) the finding at the inquiry is perverse; or
- (ii) the major penalty imposed is severe.

(6) Where the Director informs the Chief Officer that the finding at the inquiry is perverse, no further proceeding shall be taken against the officer or employee concerned in respect of the same matter.

(7) An appeal against any order imposing any penalty mentioned in sub-section (1) may be made—

- (i) in case if an order imposing any minor penalty mentioned in clause (a) of sub-section (1), to the Director;
- (ii) in case if an order imposing any major penalty mentioned in clause (b) of sub-section (1), to the authority specified in this behalf by the Administrator by an order.

(8) No such appeal may be entertained if not preferred within one month from the date of receipt of the order appealed against by the officer or employee concerned.

(9) The appellate authority referred to in sub-section (7), within six months of the date of the order passed, may at any time, either on his or its own motion or otherwise, call for the records of any inquiry and revise any order made for reduction to a lower post or rank or removal or dismissal from the service, and may—

- (i) confirm, modify, reduce, enhance or set aside the order; or
- (ii) remit the case to the authority which made the order to or any other authority directing such authority to make such further enquiry as he or it may consider proper in the circumstances of the case; or
- (iii) pass such orders as he or it may deem fit.

(10) The Administrator may, at any time, either on his own motion or otherwise, review any order passed under this section, when any new material or evidence which could not be produced or was not available at the time of passing the order under review and which has the effect of changing the nature of the case, has come, or has been brought, to his notice.”.

27. After section 77 of the principal Regulation, the following Chapter shall be inserted, namely:—

“CHAPTER VA

OMBUDSMAN FOR COUNCIL

77A. (1) The Government shall, by notification in the Official Gazette, establish an authority to be known as the Ombudsman for making investigations and inquiries, in respect of charges on any action involving corruption or maladministration or irregularities in the discharge of administrative functions by the members of the Council under this Regulation:

Provided that the Government may designate the Ombudsman appointed under the Daman and Diu Panchayat Regulation, 2012 to discharge the functions of the Ombudsman under this Regulation.

Insertion of new Chapter VA.

Establishment, term of office and conditions of service of Ombudsman.

(2) The Ombudsman shall consist of one member to be appointed by the Administrator, on the recommendation of a Committee referred to in sub-section (4).

(3) The Ombudsman shall not be a Government employee.

(4) The Committee referred to in sub-section (2) shall comprise of the following, namely:—

(a) Director, Municipal Administration of Daman and Diu;

(b) a retired District Judge;

(c) a retired civil employee who has held a post in the Central Government or State Government not below the rank of a Joint Secretary to the Government of India; and

(d) two persons of impeccable integrity from the civil society nominated by the Administrator.

(5) A person appointed to be the Ombudsman shall, before he enter upon his office, make and subscribe before the Administrator or any other officer appointed in that behalf by him, an oath or affirmation according to the form set out below:—

‘I, A. B. having been appointed as the Ombudsman for the _____ Council under the Daman and Diu Municipalities Regulation, 1968, do swear in the name of God / Solemnly affirm that I will bear true faith and allegiance to the Constitution of India and I will duly and faithfully and to the best of my ability, knowledge and judgment perform the duties of my office without fear or favour, affection or ill-will’.

Reg. 7 of 1969.

(6) A person appointed as Ombudsman shall hold office for a term of three years from the date on which he enters upon his office:

Provided that—

(a) the Ombudsman may, by writing under his hand addressed to the Administrator, resign his office; and

(b) the person appointed as Ombudsman may be removed from his office in the manner provided in section 77B.

(7) The salary and allowance payable to, and the other terms and conditions of service of, the Ombudsman shall be such as may be prescribed.

(8) On expiry of his term of office as Ombudsman, he shall not be eligible for re-appointment as Ombudsman or for further appointment to any office under the Union territory Administration or in any corporation, company, society or university by or under the control of the Union territory Administration.

Removal of
Ombudsman.

77B. (1) The Ombudsman may be removed from his office, by an order of the Administrator, on the ground of proved misbehaviour or incapacity.

(2) The procedure for the removal of the Ombudsman under sub-section (1) and for the investigation and proof of the misbehaviour or incapacity of the Ombudsman shall be such as may be prescribed.

Staff of
Ombudsman.

77C. (1) The Government may, in consultation with the Ombudsman, provide the officers and staff to assist the Ombudsman in the discharge of his functions under this Regulation.

(2) The salaries, allowances and other conditions of service of the officers and staff provided to the Ombudsman shall be such as may be prescribed.

(3) The Ombudsman may require the assistance of any officer of any Government Department in order to ascertain the veracity of an allegation under investigation and such officer shall be bound to render such assistance in addition and without detriment, to his official duties.

(4) The Ombudsman may utilise the services of any person having experience and expertise in any particular subject in deciding the questions before it.

77D. (1) The Ombudsman shall perform all or any of the following functions, namely:—

Functions of
Ombudsman.

(i) investigate into any allegation contained in a complaint or on a reference from the Government, or that has come to the notice of the Ombudsman;

(ii) inquire into any complaint in which corruption or maladministration of a member or a Council is alleged;

(iii) pass an order on the allegation in the following manner, namely:—

(a) where the irregularity involves a criminal offence committed by a member of the Council, the matter shall be referred to the appropriate authority for investigation;

(b) where the irregularity causes loss or inconvenience to a citizen, direct the Council to give him compensation and to reimburse the loss from the person responsible for such irregularity;

(c) where the irregularity involves loss or waste or misuse of the fund of the Council, realise such loss from those who are responsible for such irregularity; and

(d) where the irregularity is due to omission or inaction, cause to supply the omission and to rectify the mistake.

(2) In addition to the functions enumerated in sub-section (1), the Ombudsman may pass interim order restraining the Council from doing anything detrimental to the interest of the complainant if it is satisfied that much loss or injury shall be caused to the complainant due to the alleged act.

(3) The Ombudsman may, if it is of opinion that the irregularity involves corrupt practice for personal gain, by order impose penalty in addition to compensation.

77E. (1) The Ombudsman shall, for the purpose of any investigation or inquiry under this Regulation, have the same powers as are vested in a civil court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

Powers of
Ombudsman.

(a) summoning and enforcing the attendance of any witness and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or document or copy of such record or document from any office;

(e) issuing commissions for the examination of witness or documents; and

(f) any other matter which may be prescribed.

(2) Where the Ombudsman finds that the allegation contained in a complaint is without any substance or trivial in nature, it may, by order, direct the complainant to pay to the opposite party so much of the amount specified in the order by way of cost.

(3) Where the allegation contained in a complaint is about the loss or waste or misapplication of the fund of the Council or in respect of the loss or inconvenience caused to a citizen, the Ombudsman may, during inquiry, collect evidence, determine the loss and direct in its order the amount to be realised from the person responsible.

(4) If the amount payable as per the order passed by the Ombudsman under sub-section (2) or sub-section (3) is not paid within the period specified by it, the same shall be recoverable as if it were an arrears of land revenue.

Service of
Government
Departments.

77F. The Government may, at the request of the Ombudsman, make available the services of officers and employees of the Government including police personnel to assist the Ombudsman in the conduct of investigation and inquiry, and in respect of such functions, such officer or employee shall be deemed to be the officer or employee of the Ombudsman.

Investigation.

77G. (1) The Ombudsman may, in accordance with the provisions of this Regulation, investigate into any complaint filed before it under this Regulation.

(2) Notwithstanding anything contained in this Regulation, the Government may refer any allegation of corruption or maladministration against a Council or a member of the Council which is within its knowledge or brought to its notice, to the Ombudsman and the Ombudsman shall investigate into it as if, it was a complaint filed under this Regulation.

(3) The Ombudsman may, on receipt of a complaint, conduct an investigation in the matter and where there is a *prima facie* case it may conduct a detailed inquiry under section 77H.

(4) The Ombudsman shall not investigate or inquire into matters relating to,—

(a) any matter in respect of which a formal and public inquiry has been ordered by the Government;

(b) any matter in respect of which a remedy is available from the Court for Council;

(c) any matter in respect of which an inquiry has been ordered under the Commission of Inquiries Act, 1952 or any matter pending before a Court;

(d) any complaint filed after the expiry of three years from the date on which the matter complained against have taken place:

Provided that the Ombudsman may entertain such complaint, if the complainant satisfies that he had sufficient reason for not filing the complaint within the specified period.

60 of 1952.

Inquiry.

77H. (1) After an investigation, if the Ombudsman is satisfied that—

(a) the complaint is frivolous or vexatious or is not made in good faith; or

(b) there is no sufficient ground to initiate proceedings; or

(c) other remedies are available to the complainant and it shall be more beneficial for the complainant to avail of such remedies in view of the circumstances of the case,

it may, after recording its findings and stating the reason therefor, dispose of the complaint and communicate the same to the complainant.

(2) If the Ombudsman is of the opinion that there is a *prima facie* case against a member of the Council complained of, it shall record its findings to this effect and send notices of the proposed inquiry to the complainant and to the opposite party.

(3) Subject to the provisions of this Regulation and rules made thereunder, the Ombudsman shall regulate its own procedure for the purpose of holding its meeting (including time and place of sitting).

(4) In any proceeding before the Ombudsman, no legal practitioner shall be permitted to represent any person, unless the Ombudsman by an order, for the reasons to be recorded, permits a person to be represented by a legal practitioner.

Existing cases
to be
transferred to
Ombudsman.

77-I. (1) Notwithstanding anything contained in any other law for the time being in force, any proceeding relating to a member of the Council which is pending before any authority under this Regulation before the establishment of the Ombudsman under sub-section (1) of section 77A, shall, on such establishment, be transferred to the Ombudsman and the Ombudsman shall decide the proceedings in accordance with the provisions of this Regulation.

(2) All cases, with regard to the loss, wastage and misappropriation of any land of the Local Self Government Institution, pending before the Government or any other authority shall be transferred to the Ombudsman and the Ombudsman shall dispose of the proceedings in accordance with the provisions of this Regulation.

77J. (1) If, after an investigation or inquiry, the Ombudsman finds that there is a *prima facie* case against the accused, the Ombudsman may, for the reasons to be recorded in writing, refer the complaint to a competent authority to initiate prosecution.

Initiation of prosecution.

(2) The competent authority referred to in sub-section (1) shall conduct a detailed inquiry, and if necessary, shall frame the charge.

77K. (1) The Ombudsman may consider and dispose of complaints other than those involving criminal offences in the following manner, namely:—

Disposal of complaints.

- (i) award of compensation to a citizen in case of loss or grievance;
- (ii) order the recovery of loss caused to the Council from the person responsible;
- (iii) order the supply of omission or rectification of defects due to inaction;
- (iv) order the recovery of loss from the accused failing which, order realisation through revenue recovery proceedings; and
- (v) order other necessary remedial measures considering the facts and circumstances of the case.

(2) Where the Ombudsman finds that the procedure or practice regarding the administration of the Council gives room for complaint, it may give suggestions to the Government or the Council relating to the measures for avoiding the recurrence of such complaint.

(3) The Ombudsman shall give annually a detailed report regarding the performance of its functions under this Regulation to the Government.

77L. (1) The Government may make rules to carry out the provisions of this Chapter.

Power to make rules under this Chapter.

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

- (a) the salary and allowances payable to, and other terms and conditions of service of, the Ombudsman under sub-section (7) of section 77A;
- (b) the procedure for the removal of the Ombudsman and investigation of proof of the misbehavior or incapacity under sub-section (2) of section 77B;
- (c) the salary and allowances payable to, and other terms and conditions of service of, the officers and staff provided to the Ombudsman under sub-section (2) of section 77C; and
- (d) any other matter which is required to be or may be prescribed.”.

28. In section 81 of the principal Regulation, in sub-section (2), for the word “President”, wherever it occurs, the word “Director” shall be substituted.

Amendment of section 81.

29. In section 86 of the principal Regulation, in sub-section (2), in clause (f), after the word and figures “section 72”, the following shall be inserted, namely:—

Amendment of section 86.

“and the officers belonging to the Government Department posted on deputation to the Council”.

30. In section 89 of the principal Regulation,—

Amendment of section 89.

(i) in sub-section (2), in clause (c), for the words, letters and figures “an expenditure exceeding Rs.1500”, the words “an expenditure exceeding such amount as may be notified in the Official Gazette by the Government” shall be substituted;

(ii) in sub-section (3), in clause (b), for the words “exceeding five hundred rupees shall be in writing and shall be sealed with the common seal of the Council”, the words “exceeding such amount as may be notified in the Official Gazette by the Government, shall be in writing” shall be substituted;

(iii) in sub-section (6),—

(a) for the words “one thousand rupees give notice by advertisement in a local newspaper, inviting tenders for such contract”, the following shall be substituted, namely:—

“such amount as may be notified in the Official Gazette by the Government give notice by advertisement, inviting tenders for such contract and follow the procedure laid down by the Government”;

(b) in the proviso, the words “in the newspaper” shall be omitted.

Amendment of section 101. **31.** In section 101 of the principal Regulation, in sub-section (1), in clause (a), after the words “municipal area”, the words “other than those belonging to the Government or Central Government,” shall be inserted.

Amendment of section 104. **32.** In section 104 of the principal Regulation, in clause (a), for the words and figures “Motor Vehicles Act, 1939”, the words and figures “Motor Vehicles Act, 1988” shall be substituted.

IV of 1939.
59 of 1988.

Amendment of section 108. **33.** In section 108 of the principal Regulation, in sub-section (1), in the proviso, in clause (b), the words “increase or” shall be omitted.

Amendment of section 125. **34.** In section 125 of the principal Regulation, in sub-section (3), for the words “fifty rupees”, the words “two thousand rupees” shall be substituted.

Amendment of section 162. **35.** In section 162 of the principal Regulation, in the second proviso, for the words “one hundred rupees”, the words “fifty thousand rupees” shall be substituted.

Amendment of section 174. **36.** In section 174 of the principal Regulation,—

(i) in sub-section (2), for the words “fine which may extend to one hundred rupees, and in the case of a continuing contravention with further fine which may extend to twenty rupees”, the following shall be substituted, namely:—

“simple imprisonment for a term which may extend to six months and fine which may extend to fifty thousand rupees, and in the case of a continuing contravention with further fine which may extend to five hundred rupees”;

(ii) in sub-section (8),—

(a) for the words “one hundred rupees”, the words “fifty thousand rupees” shall be substituted;

(b) for the words “twenty rupees”, the words “five hundred rupees” shall be substituted.

Amendment of section 175. **37.** In section 175 of the principal Regulation, in sub-section (7), for the words “with fine which may extend to one hundred rupees and in the case of a continuing offence with further fine which may extend to twenty rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to six months and fine which may extend to fifty thousand rupees and in the case of a continuing offence with further fine which may extend to five hundred rupees”.

Amendment of section 176. **38.** In section 176 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to one hundred rupees, and in the case of continuing offence with further fine which may extend to twenty rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing offence with further fine which may extend to five hundred rupees”.

- 39.** In section 178 of the principal Regulation, in sub-section (6), for the words “one thousand rupees”, the words “ten thousand rupees” shall be substituted. Amendment of section 178.
- 40.** In section 180 of the principal Regulation, in sub-section (2), for the words “fifty rupees”, the words “ten thousand rupees” shall be substituted. Amendment of section 180.
- 41.** In section 181 of the principal Regulation, in sub-section (3), for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted. Amendment of section 181.
- 42.** In section 182 of the principal Regulation, in sub-section (2), for the words “fifty rupees”, the words “five thousand rupees” shall be substituted. Amendment of section 182.
- 43.** In section 183 of the principal Regulation, in sub-section (2), for the words “fifty rupees”, the words “five thousand rupees” shall be substituted. Amendment of section 183.
- 44.** In section 184 of the principal Regulation,—
- (i) in sub-section (9), for the words “with fine which may extend to five thousand rupees”, the following shall be substituted, namely:—
- “with simple imprisonment for a term which may extend to six months and fine which may extend to one lakh rupees”;
- (ii) in sub-section (10), for the words “twenty-five rupees”, the words “five thousand rupees” shall be substituted.
- 45.** In section 187 of the principal Regulation, in sub-section (5),—
- (i) for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;
- (ii) for the words “twenty-five rupees”, the words “five hundred rupees” shall be substituted. Amendment of section 187.
- 46.** In section 188 of the principal Regulation, in sub-section (3), in clause (b), for the words “with fine which may extend to five hundred rupees, and in the case of continuing contravention or non-compliance with further fine which may extend to twenty-five rupees”, the following shall be substituted, namely:—
- “with simple imprisonment for a term which may extend to six months and fine which may extend to one lakh rupees and in the case of continuing contravention or non-compliance with further fine which may not be less than one thousand rupees”.
- 47.** In section 189 of the principal Regulation, in sub-section (2),—
- (i) for the words “five hundred rupees”, the words “fifty thousand rupees” shall be substituted;
- (ii) for the words “ten rupees”, the words “five hundred rupees” shall be substituted. Amendment of section 189.
- 48.** In section 197 of the principal Regulation,—
- (i) in sub-section (1), in clause (a), for the words “fifty feet”, the words “fifty meter” shall be substituted;
- (ii) after sub-section (2), the following sub-section shall be inserted, namely:—
- “(2A) Notwithstanding anything contained in any provision of this Regulation, the owner of any building shall connect such building to the sewage in the area where underground sewage system exists, failing which, the Chief Officer may, by notice in writing, direct the owner of such building to connect the building to the underground sewage within such period as may be specified in the notice.”;
- Amendment of section 197.

(ii) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) Whoever fails to comply with the notice issued by the Chief Officer under sub-section (1) or sub-section (2) or sub-section (2A), as the case may be, he shall be punished with fine which may extend to fifty thousand rupees and in case of continuing offence with further fine which may extend to five hundred rupees for every day after the first during which such offence continues.”.

Amendment
of section 205.

49. In section 205 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to one hundred rupees”, the following shall be substituted, namely:—

“with imprisonment which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing contravention with further fine which may extend to five hundred rupees for every day after the first during which such contravention continues”.

Amendment
of section 206.

50. In section 206 of the principal Regulation, in sub-section (2), for the words “with fine which may extend to one hundred rupees”, the following shall be substituted, namely:—

“with imprisonment which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing contravention with further fine which may extend to five hundred rupees for every day after the first during which such contravention continues.”.

Amendment
of section 210.

51. In section 210 of the principal Regulation,—

(i) in sub-section (4), for the words “one hundred rupees”, the words “five thousand rupees” shall be substituted;

(ii) in sub-section (7), for the words “three hundred rupees”, the words “fifteen thousand rupees” shall be substituted.

Amendment
of section 211.

52. In section 211 of the principal Regulation, in sub-section (2), for the words “one hundred rupees”, the words “five thousand rupees” shall be substituted.

Amendment
of section 212.

53. In section 212 of the principal Regulation, in sub-section (2),—

(i) for the words “fifty rupees”, the words “ten thousand rupees” shall be substituted;

(ii) for the words “five rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section 218.

54. In section 218 of the principal Regulation, in sub-section (2), for the words “two hundred and fifty rupees”, the words “ten thousand rupees” shall be substituted.

Amendment
of section 220.

55. In section 220 of the principal Regulation, in sub-section (2),—

(i) for the words “fifty rupees”, the words “ten thousand rupees” shall be substituted;

(ii) for the words “ten rupees”, the words “five hundred rupees” shall be substituted.

Amendment
of section 221.

56. In section 221 of the principal Regulation, in sub-section (2),—

(i) for the words “five hundred rupees”, the words “one lakh rupees” shall be substituted;

(ii) for the words “twenty-five rupees”, the words “one thousand rupees” shall be substituted.

Amendment
of section 223.

57. In section 223 of the principal Regulation,—

(a) in sub-section (1),—

(i) after the words “other rubbish”, the words “or garbage” shall be inserted;

(ii) for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;

(b) in sub-section (2), for the words “with fine which may extend to one hundred rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees.”

58. In section 224 of the principal Regulation, for the words “with fine which may extend to one hundred rupees”, the words “with simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees” shall be substituted. Amendment of section 224.

59. In section 225 of the principal Regulation,—

(i) for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;

(ii) for the words “twenty rupees”, the words “five hundred rupees” shall be substituted.

Amendment of section 225.

60. Section 226 of the principal Regulation shall be omitted.

Omission of section 226.

61. In section 227 of the principal Regulation, for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted. Amendment of section 227.

62. In section 230 of the principal Regulation, in sub-section (2),—

(i) for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;

(ii) for the words “ten rupees”, the words “five hundred rupees” shall be substituted.

Amendment of section 230.

63. In section 240 of the principal Regulation,—

(i) in sub-section (1),—

(a) for the words “two hundred rupees”, the words “ten thousand rupees” shall be substituted;

(b) for the words “twenty rupees”, the words “five hundred rupees” shall be substituted;

(ii) in sub-section (2),—

(a) for the words “one thousand rupees”, the words “fifty thousand rupees” shall be substituted;

(b) for the words “fifty rupees”, the words “one thousand rupees” shall be substituted.

Amendment of section 240.

64. In section 243 of the principal Regulation, in sub-section (5), for the words “ten rupees”, the words “five thousand rupees” shall be substituted. Amendment of section 243.

65. In section 245 of the principal Regulation, in sub-section (3), for the words “five hundred rupees”, the words “fifty thousand rupees” shall be substituted. Amendment of section 245.

66. In section 247 of the principal Regulation, in sub-section (3), for the words “two hundred and fifty rupees”, the words “ten thousand rupees” shall be substituted. Amendment of section 247.

67. In section 248 of the principal Regulation, in sub-section (2), for the words “one hundred rupees”, the words “five thousand rupees” shall be substituted. Amendment of section 248.

68. In section 252 of the principal Regulation, for sub-section (2), the following sub-section shall be substituted, namely:— Amendment of section 252.

“(2) Whoever uses or allows to be used any place for any of the purposes specified in sub-section (1), without a licence, or in contravention of any conditions subject to which a licence may have been granted under sub-section (1) shall, on

conviction, be punished with simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees if the contravention is of clause (i) or clause (ii) of sub-section (1) and with fine which may extend to ten thousand rupees if the contravention is of clause (iii) of that sub-section, and in the case of continuing contravention of the said clause (i) or clause (ii), with further fine of five thousand rupees, and of the said clause (iii), with further fine of one thousand rupees, for every day after the first during which such contravention continues.”.

Amendment of section 254. **69.** In section 254 of the principal Regulation, in sub-section (2), for the words “with fine which may extend to one hundred rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to one month and with fine which may extend to ten thousand rupees”.

Amendment of section 257. **70.** In section 257 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to fifty rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees”.

Amendment of section 259. **71.** In section 259 of the principal Regulation, in sub-section (3),—

(i) for the words “five hundred rupees”, the words “one lakh rupees” shall be substituted;

(ii) for the words “fifty rupees”, the words “one thousand rupees” shall be substituted.

Amendment of section 260. **72.** In section 260 of the principal Regulation, in sub-section (3),—

(i) for the words “five hundred rupees”, the words “one lakh rupees” shall be substituted;

(ii) for the words “fifty rupees”, the words “one thousand rupees” shall be substituted.

Amendment of section 261. **73.** In section 261 of the principal Regulation, in sub-section (3),—

(i) for the words “five hundred rupees”, the words “one lakh rupees” shall be substituted;

(ii) for the words “fifty rupees”, the words “one thousand rupees” shall be substituted.

Amendment of section 263. **74.** In section 263 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to one thousand rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing contravention with further fine which may extend to one thousand rupees for every day after the first during which such contravention continues”.

Amendment of section 264. **75.** In section 264 of the principal Regulation, in sub-section (2),—

(i) for the words “fifty rupees”, the words “ten thousand rupees” shall be substituted;

(ii) for the words “five rupees”, the words “five hundred rupees” shall be substituted.

Amendment of section 265. **76.** In section 265 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to five hundred rupees, and in the case of continuing offence with further fine which may extend to fifty rupees”, the following shall be substituted, namely:—

“with simple imprisonment for a term which may extend to one month and fine which may extend to fifty thousand rupees, and in the case of continuing offence with further fine which may extend to one thousand rupees”.

- 77.** In section 266 of the principal Regulation, in sub-section (3), for the words “with fine which may extend to two hundred rupees, and in the case of continuing offence with further fine which may extend to twenty rupees”, the following shall be substituted, namely:—
- “with simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees, and in the case of continuing offence with further fine which may extend to five hundred rupees”.
- 78.** In section 270 of the principal Regulation, in sub-section (3),—
- (i) for the word “imprisonment”, the words “simple imprisonment” shall be substituted;
- (ii) for the words “five hundred rupees”, the words “five thousand rupees” shall be substituted.
- 79.** In section 275 of the principal Regulation, in sub-section (3), for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted.
- 80.** In section 276 of the principal Regulation,—
- (i) in sub-section (1),—
- (a) in clause (i), for the words “three hundred rupees”, the words “ten thousand rupees” shall be substituted;
- (b) in clause (ii), for the words “five hundred rupees”, the words “twenty thousand rupees” shall be substituted;
- (ii) in sub-section (2), in clause (a), for the words “two hundred and fifty rupees”, the words “ten thousand rupees” shall be substituted.
- 81.** In section 277 of the principal Regulation,—
- (i) in clause (a), for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;
- (ii) in clause (b), for the words “two hundred and fifty rupees”, the words “twenty thousand rupees” shall be substituted.
- 82.** In section 279 of the principal Regulation, in sub-section (2), for the words “ fifty rupees”, the words “ten thousand rupees” shall be substituted.
- 83.** In section 280 of the principal Regulation, in sub-section (2), for the words “one hundred rupees”, the words “two thousand rupees” shall be substituted.
- 84.** In section 281 of the principal Regulation,—
- (i) in sub-section (4), for the words and figures “section 248 of the Code of Criminal Procedure, 1898”, the words and figures “section 257 of the Code of Criminal Procedure, 1973” shall be substituted;
- (ii) in sub-section (5), for the words and figures “Code of Criminal Procedure, 1898”, the words and figures “Code of Criminal Procedure, 1973” shall be substituted;
- (iii) in sub-section (6),—
- (a) for the word “one-fourth”, the word “one-half” shall be substituted;
- (b) for the words “two hundred and fifty rupees”, the words “ten thousand rupees” shall be substituted.
- 85.** In section 284 of the principal Regulation, in clause (d),—
- (i) for the words “one hundred rupees”, the words “ten thousand rupees” shall be substituted;

5 of 1898.
2 of 1974.

5 of 1898.
2 of 1974.

Amendment
of section 266.

Amendment
of section 270.

Amendment
of section 275.

Amendment
of section 276.

Amendment
of section 277.

Amendment
of section 279.

Amendment
of section 280.

Amendment
of section 281.

Amendment
of section 284.

(ii) for the words “ten rupees”, the words “one thousand rupees” shall be substituted.

Amendment
of section 285.

86. In section 285 of the principal Regulation, for the words “two hundred and fifty rupees”, the words “five thousand rupees” shall be substituted.

Amendment
of section 313.

87. In section 313 of the principal Regulation, in sub-section (1), in the proviso, in clause (c), for the words “seven and a half per cent.”, the words “fifteen per cent.” shall be substituted.

Amendment
of section 314.

88. In section 314 of the principal Regulation, for the words “fifty rupees”, the words “ten thousand rupees” shall be substituted.

Amendment
of section 321.

89. In section 321 of the principal Regulation, in sub-section (2), in clause (b), for the words and figures “Code of Criminal Procedure, 1898”, the words and figures “Code of Criminal Procedure, 1973” shall be substituted.

5 of 1898.
2 of 1974.

Amendment
of section 330.

90. In section 330 of the principal Regulation, in clauses (c) and (d), for the words and figures “Goa, Daman and Diu Village Panchayats Regulation, 1962”, wherever they occur, the words and figures “Daman and Diu Panchayat Regulation, 2012” shall be substituted.

Reg. 9 of 1962.
Reg. 4 of 2012.

Insertion of a
new Schedule.

91. After Schedule IX of the principal Regulation, the following Schedule shall be inserted, namely:—

“SCHEDULE X

[See section 16 (1) (n)]

Provisions as to disqualification on ground of defection

1. Disqualification on ground of defection.—(1) Subject to the provisions of paragraph 2, a Councillor of the Council belonging to any political party shall be disqualified for being a Councillor of the Council —

(a) if he has voluntarily given up his membership of such political party; or

(b) if he votes or abstains from voting in the Council contrary to any direction issued by the political party to which he belongs or by any person or authority authorised by it in this behalf, without obtaining, in either case, the prior permission of such political party, person or authority and such voting or abstention has not been condoned by such political party, person or authority within fifteen days from the date of such voting or abstention.

Explanation.—For the purposes of this sub-paragraph, a Councillor of the Council shall be deemed to belong to the political party, if any, by which he was set up as a candidate for election as such a Councillor.

(2) A Councillor of the Council who has been elected as such otherwise than as a candidate set up by any political party shall be disqualified for being a Councillor of the Council if he joins any political party after such election.

(3) Notwithstanding anything contained in sub-paragraphs (1) and (2), a person who, on the commencement of the Daman and Diu Municipalities (Amendment) Regulation, 2018 is a Councillor of the Council shall,—

(i) where he was a member of a political party immediately before such commencement, be deemed, for the purpose of sub-paragraph (1) of this paragraph, to have been elected as a Councillor of such Council as a candidate set up by such political party;

(ii) in any other case, be deemed to be a Councillor of the Council who has been elected as such otherwise than as a candidate set up by any political party for the purpose of sub-paragraph (2) of this paragraph.

2. Disqualification on ground of defection not to apply in case of merger.—(1) A Councillor of the Council shall not be disqualified under sub-paragraph (1) of paragraph 1 where his original political party merges with another political party and he claims that he and any other Councillors of his original political party—

(a) have become members of such other political party or, as the case may be, of a new political party formed by such merger; or

(b) have not accepted the merger and opted to function as a separate group, and from the time of such merger, such other political party or new political party or group, as the case may be, shall be deemed to be the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 1 and to be his original political party for the purposes of this sub-paragraph.

(2) For the purposes of sub-paragraph (1), the merger of the original political party of a Councillor of the Council shall be deemed to have taken place if, and only if, not less than two-thirds of the Councillors of such political party in the Council concerned have agreed to such merger.

3. Decision on question as to disqualification on ground of defection.—(1) If any question arises as to whether a Councillor of the Council has become subject to disqualification under this Schedule, the question shall be referred to the Administrator and the decision of the Administrator thereon shall be final.

(2) Before giving any decision on any such question referred under sub-paragraph (1), the Administrator shall obtain the opinion of the Election Commission referred to in section 5.

4. Rules.— The Administrator may make rules for giving effect to the provisions of this Schedule, and in particular and without prejudice to the generality of the foregoing powers, such rules may provide for—

(a) the maintenance of registers or other records as to the political parties, if any, to which different Councillors of the Council belong;

(b) the report which the leader of a political party in relation to a Councillor of the Council shall furnish with regard to any condonation of the nature referred to in clause (b) of sub-paragraph (1) of paragraph 1 in respect of such Councillor, the time within which and the authority to which such report shall be furnished;

(c) the report, which a political party, shall furnish with regard to admission to such political party of any Councillor of the Council and the officer of the Council to which such report shall be furnished; and

(d) the procedure for deciding any question referred to in paragraph 3 including the procedure for any inquiry which may be made for the purpose of deciding such question.”

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

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PART II — Section 1

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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.

MINISTRY OF LAW AND JUSTICE
(Legislative Department)

New Delhi, the 26th March, 2018/Chaitra 5, 1940 (Saka)

**THE DADRA AND NAGAR HAVELI MUNICIPAL COUNCIL
(AMENDMENT) REGULATION, 2018**

NO. 2 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India.

A Regulation further to amend the Dadra and Nagar Haveli Municipal Council Regulation, 2004.

In exercise of the powers conferred by article 240 of the Constitution, the President is pleased to promulgate the following regulation made by him:—

1. (1) This Regulation may be called the Dadra and Nagar Haveli Municipal Council (Amendment) Regulation, 2018.

Short title and commencement.

(2) It shall come into force at once.

2. Throughout the Dadra and Nagar Haveli Municipal Council Regulation, 2004 (hereinafter referred to as the principal Regulation), for the words "servant" and "servants", wherever they occur, the words "employee" and "employees" shall respectively be substituted and such other consequential amendments as the rules of grammar may require shall also be made.

Substitution of references to certain expressions by certain other expressions.

3. In section 2 of the principal Regulation, for clause (35), the following clause shall be substituted, namely:—

Amendment of section 2.

'(35) "officer or employee of the Council" means an officer or employee appointed by the Chief Officer or the Government and includes any Government officer or employee who is for the time being serving under the Council;'

Amendment
of section 9.

4. In section 9 of the principal Regulation, in sub-section (2), for clause (i), the following clause shall be substituted, namely:—

"(i) two persons who are not less than twenty-five years of age and who have special knowledge or experience in municipal administration to be nominated by the administrator:

Provided that the persons nominated under this clause shall have no right to vote in the meetings of Council;"

Amendment
of section 10.

5. In section 10 of the principal Regulation,—

(i) in sub-section (2), for the word "one-third", the word "one-half" shall be substituted;

(ii) in sub-section (3), for the word "one-third", the word "one-half" shall be substituted.

Amendment
of section 14.

6. In section 14 of the principal Regulation,—

(i) in sub-section (1), after the words "by ballot", the words "or by Electronic Voting Machine" shall be inserted;

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

‘(3) Notwithstanding anything contained in this Regulation or the rules made thereunder, the giving or recording of vote by Electronic Voting Machine may be adopted in such ward or wards of the Council as the Election Commission may, having regard to the circumstances of each case, specify.

Explanation.—For the purposes of this section, "Electronic Voting Machine" means any machine or apparatus whether operated electronically or otherwise used for giving or recording of vote and any reference to a ballot box or ballot paper in this Regulation or the rules made thereunder shall, save as otherwise provided, be construed as including a reference to such Electronic Voting Machine wherever such Electronic Voting Machine is used at any election.'

Amendment
of section 16.

7. In section 16 of the principal Regulation, in sub-section (1), for the words "twenty-five years", the words "twenty-one years" shall be substituted.

Amendment
of section 17.

8. In section 17 of the principal Regulation, in sub-section (1), after clause (l), the following clauses shall be inserted, namely:—

"(m) is so disqualified by or under any law for the time being in force for the purposes of election to the House of the People;

(n) is disqualified on the ground of defection under Schedule IX."

Amendment
of section 24.

9. In section 24 of the principal Regulation, in sub-section (3), the following proviso shall be inserted, namely:—

"Provided that no symbol allotted under this Regulation to a candidate shall be deemed to be a religious symbol or a national symbol for the purposes of this sub-section."

Substitution of
new section
for section 25.

10. For section 25 of the principal Regulation, the following section shall be substituted, namely:—

'25. (1) No person shall—

(a) convene, hold or attend, join or address any public meeting or procession in connection with an election; or

(b) display to the public any election matter by means of cinematograph, television or other similar apparatus; or

Prohibition of
public meeting
during period
of forty-eight
hours ending
with hours
fixed for
conclusion of
poll.

(c) propagate any election matter to the public by holding, or by arranging the holding of, any musical concert or any theatrical performance or any other entertainment or amusement with a view to attracting the public thereto,

in any polling area during the period of forty-eight hours ending with the hours fixed for the conclusion of the poll for any election.

(2) Any person who contravenes the provisions of sub-section (1) shall, on conviction, be punished with imprisonment for a term which may extend to two years, or with fine, or with both.

Explanation.—For the purposes of this section, the expression "election matter" means any matter intended or calculated to influence or affect the result of an election.!

11. In section 26 of the principal Regulation, in sub-section (2), for the words "with fine which may extend to two hundred and fifty rupees", the following shall be substituted, namely:— Amendment of section 26.

"with imprisonment for a term which may extend to six months, or with fine which may extend to two thousand rupees or with both".

12. In section 52 of the principal Regulation, in sub-section (3), in clause (u), for the words "rupees two hundred and the total expenditure during the year does not exceed rupees one thousand", the words "such amount as may be notified in the Official Gazette by the Government and the total expenditure during the year does not exceed such amount as may be notified in the Official Gazette by the Government" shall be substituted. Amendment of section 52.

13. In section 53 of the principal Regulation,— Amendment of section 53.

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

"(2) On the constitution of a Council under this Regulation, the Collector shall convene a special meeting of the Councillors for election of a President and a Vice-President in such manner as may be prescribed.";

(ii) sub-section (3), sub-section (4) and sub-section (5) shall be omitted;

(iii) for sub-section (6), the following sub-section shall be substituted, namely:—

"(6) If there is a vacancy in the office of the President or Vice-President due to any reason whatsoever, the vacancy shall be filled at the same procedure as provided in sub-section (2).".

14. In section 55 of the principal Regulation, in sub-section (2), for the word "receipt", the word "acceptance" shall be substituted. Amendment of section 55.

15. In section 57 of the principal Regulation,— Amendment of section 57.

(i) in sub-section (1), the following proviso shall be inserted, namely:—

"Provided that no such resolution shall be moved within a period of six months from the date of the assumption of office by the President or Vice-President, as the case may be.";

(ii) in sub-section (2), for the word "one-fourth", the word "one-third" shall be substituted;

(iii) in sub-section (3), for the word "Director", wherever it occurs, the word "Collector" shall be substituted;

(iv) for sub-section (4), the following shall be substituted, namely:—

"(4) Every President or Vice-President of the Council may be removed from his office if a resolution of the Council expressing want of confidence in him is passed by a majority of the total members present at a meeting specially convened for the purpose:

Provided that no such resolution shall be moved unless,—

(a) a notice of the intention to move the resolution has been given within such period as may be prescribed and signed by one-third members of the Council, and

(b) it contains a proposal for election of a new President or Vice-President of the Council.

(5) At any meeting of the Council, while any resolution for removal of the President from his office is under consideration, the President, or while any resolution for removal of the Vice-President from his office is under consideration, the Vice-President, shall not, though he is present, preside.

(6) The meeting shall be presided over by the Vice-President if the motion is against the President, and by the President if the motion is against the Vice-President.

(7) At any meeting of the Council, while any resolution for electing a successor to the office of the President is under consideration, the candidate to the office of the President, or while any resolution for electing a successor to the office of the Vice-President is under consideration, the candidate to the office of the Vice-President, shall not, though he is present, preside.

(8) The President or Vice-President shall have right to speak in, and otherwise to take part in the proceeding of such meeting of the Council while any resolution for removal from his office is under consideration in the Council and shall be entitled to vote only in the first instance on such resolution or on any other matter during such proceeding but not in the case of an equality of votes.

(9) The provisions of sub-sections (6), (7) and (8) shall apply *mutatis mutandis* to the person contesting the election for the post of President or Vice-President of the Council.

(10) The procedure to be followed for the meeting shall be such as may be prescribed."

Amendment
of section 59.

16. In section 59 of the principal Regulation, in sub-section (4), for the words "two thousand rupees", the words "five thousand rupees" shall be substituted.

Amendment
of section 60.

17. In section 60 of the principal Regulation, in sub-section (1), in clause (d), for the words "servants of the Council", the words "employees of the Council through the Chief Officer" shall be substituted.

Amendment
of section 64.

18. In section 64 of the principal Regulation,—

(a) in sub-section (1), for the words "appoint such Subjects Committees", the words "appoint not more than three Subjects Committees" shall be substituted;

(b) in sub-section (2), after the word "Councillors", the words "or five members whichever is more" shall be inserted;

(c) in sub-section (3), for the words "five members, as it may determine", the words "three members" shall be substituted;

(d) in sub-section (4),—

(i) in clause (a), after the words "Standing Committee", the words "and allocating one or more than one subject to the Standing Committee and Subjects Committees" shall be inserted;

(ii) for clause (b), the following clause shall be substituted, namely:—

"(b) determining the number of member of the Subjects Committee or Committees, if any, to be appointed, and if more than one such Committees are to be appointed, the Subjects Committees of which the Vice-President shall be *ex officio* Chairman;"

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

"Provided that no Councillor shall be eligible to be elected to more than one Subjects Committees."

19. In section 65 of the principal Regulation,—

Amendment
of section 65.

(i) for the words "the last preceding section", the word and figures "section 64" shall be substituted;

(ii) in clause (c), after the words "elected by the Councillors", the words "excluding President, Vice-President and member of any Standing Committee or Subjects Committees" shall be inserted;

(iii) the proviso shall be omitted.

20. For section 66 of the principal Regulation, the following section shall be substituted, namely:—

Substitution of
new section
for section 66.

"66. A Council may, from time to time, refer to a Subjects Committee constituted under section 64 such special subjects or matters relating to the purposes of this Regulation, for opinion, or inquiry and report, as the Council may think fit, and it may direct such Subjects Committee to submit its opinion or report either to it or to the Standing Committee."

Reference of
special
subjects or
matters to the
Subjects
Committee.

21. For section 69 of the principal Regulation, the following section shall be substituted, namely:—

Substitution of
new section
for section 69.

"69. Each Council shall make bye-laws specifying the powers to be exercised by the Standing Committee and the Subjects Committees, if any, including the subjects to be allotted to such Committees."

Powers of
Standing
Committees
and Subjects
Committees.

22. In section 70 of the principal Regulation, for the words "rupees fifty thousand and rupees ten thousand respectively", the words "such amount as may be notified in the Official Gazette by the Government" shall be substituted.

Amendment
of section 70.

23. In section 73 of the principal Regulation,—

Amendment
of section 73.

(i) in sub-section (4), for the word "Council", the word "Government" shall be substituted;

(ii) in sub-section (5), in clause (b), the words and brackets, "whose minimum salary (exclusive of allowance) is not less than rupees two thousand per month" shall be omitted.

24. For section 74 of the principal Regulation, the following section shall be substituted, namely:—

Substitution
of new
section for
section 74.

"74. (1) A Council may, with the sanction of the Director, create such posts of officers and employees other than those specified in sub-sections (1) and (2) of section 73 as it shall deem necessary for efficient execution of its duties under this Regulation.

Appointment
of other
officers and
employees.

(2) The qualifications, pay, allowances, and other conditions of service and method of recruitment of any such officers and employees shall, by general or special order, be made by the Government in this behalf.

(3) The power of making appointment to any post referred to in sub-section (1) shall vest in the Chief Officer with the prior approval of the Director."

Amendment
of section 75.

25. In section 75 of the principal Regulation, in sub-section (1),—

(i) in clause (a), for the word "President", the word "Council" shall be substituted;

(ii) in clause (b), after the word "Council", the following shall be inserted, namely:—

"and the Standing Committee:

Provided that if it appears to the Chief Officer that any decision or resolution is against public interest or harmony, or is otherwise *ultra vires*, he shall refer the decision or the resolution to the Collector for clarification or decision, and after a clarification or decision in this regard is received from the Collector, unless otherwise directed to do so in writing by the Collector, the Chief Officer shall implement the decision or resolution;"

(iii) after clause (h), the following clause shall be inserted, namely:—

"(i) undertake such minor repair or maintenance work as may be notified in the Official Gazette by the Government within the financial limits."

Amendment
of section 76.

26. In section 76 of the principal Regulation, for the words "Standing Committee", the words "Chief Officer" shall be substituted.

Substitution of
new section
for section 77.

27. For section 77 of the principal Regulation, the following section shall be substituted, namely:—

Punishment of
officers and
employees.

"77. (1) Without prejudice to the provisions of any law for the time being in force, the following penalties may, for good reasons, be imposed upon any officer or employee of the Council:—

(a) minor penalties—

(i) censure;

(ii) withholding of promotion;

(iii) recovery from his pay of the whole or part of any pecuniary loss caused by him to the Council by negligence or breach of orders;

(iv) withholding of increments of pay;

(b) major penalties—

(i) reduction to a lower post on a fixed pay or a time scale or to a lower stage in a time scale;

(ii) removal from the service, which does not disqualify from future employment;

(iii) dismissal from the service, which ordinarily disqualifies from future employment.

(2) The major penalties mentioned in clause (b) of sub-section (1) may be imposed on an officer or employee of the Council by the authority competent to make the appointment of the officer or employee:

Provided that the minor penalties mentioned in clause (a) of sub-section (1) may be imposed on an officer other than an officer belonging to the common cadre specified in sub-section (5) of section 73 or an employee of the Council, by the Chief Officer:

Provided further that suspension of an officer or employee pending inquiry into the allegations against such officer or employee shall not be deemed to be a penalty and shall be ordered only by the authority competent to make appointment to the post held by such officer or employee.

(3) No officer or employee shall be imposed major penalties mentioned in clause (b) of sub-section (1) unless he has been given a reasonable opportunity of showing cause against such penalties:

Provided that this sub-section shall not apply where a person is reduced, removed or dismissed on the ground of conduct which has led to his conviction on a criminal charge.

(4) No major penalty mentioned in clause (b) of sub-section (1) shall be imposed on any officer or employee appointed under sub-section (3) of section 74, without the prior approval of the Director.

(5) In every case referred to the Director under sub-section (4), the Director shall not refuse to give his approval unless he is satisfied that—

(i) the finding at the inquiry is perverse; or

(ii) the major penalty imposed is severe.

(6) Where the Director informs the Chief Officer that the finding at the inquiry is perverse, no further proceeding shall be taken against the officer or employee concerned in respect of the same matter.

(7) An appeal against any order imposing any penalty mentioned in sub-section (1) may be made—

(i) in case if an order imposing any minor penalty mentioned in clause (a) of sub-section (1), to the Director;

(ii) in case if an order imposing any major penalty mentioned in clause (b) of sub-section (1), to the authority specified in this behalf by the Administrator by an order.

(8) No such appeal may be entertained if not preferred within one month from the date of receipt of the order appealed against by the officer or employee concerned.

(9) The appellate authority referred to in sub-section (7), within six months of the date of the order passed, may at any time, either on his or its own motion or otherwise, call for the records of any inquiry and revise any order made for reduction to a lower post or rank or removal or dismissal from the service, and may—

(i) confirm, modify, reduce, enhance or set aside the order; or

(ii) remit the case to the authority which made the order to or any other authority directing such authority to make such further inquiry as he or it may consider proper in the circumstances of the case; or

(iii) pass such orders as he or it may deem fit.

(10) The Administrator may, at any time, either on his own motion or otherwise, review any order passed under this section, when any new material or evidence which could not be produced or was not available at the time of passing the order under review and which has the effect of changing the nature of the case, has come, or has been brought, to his notice."

28. After section 78 of the principal Regulation, the following Chapter shall be inserted, namely:—

Insertion of
new Chapter
VA.

"CHAPTER VA

OMBUDSMAN FOR COUNCIL

Establishment,
term of office
and conditions
of service of
Ombudsman.

78A. (1) The Government shall, by notification in the Official Gazette, establish an authority to be known as Ombudsman for making investigations and inquiries, in respect of charges on any action involving corruption or maladministration or irregularities in the discharge of administrative functions by the members of the Council under this Regulation:

Provided that the Government may designate the Ombudsman appointed under the Dadra and Nagar Haveli Panchayat Regulation, 2012 to discharge the function of the Ombudsman under this Regulation. Reg. 5 of 2012.

(2) The Ombudsman shall consist of one member to be appointed by the Administrator, on the recommendation of a committee referred to in sub-section (4).

(3) The Ombudsman shall not be a Government employee.

(4) The Committee referred to in sub-section (2) shall comprises of the following, namely:—

(a) Director, Municipal Administration of Dadra and Nagar Haveli;

(b) a retired District Judge;

(c) a retired civil employee who has held a post in the Central Government or State Government not below the rank of Joint Secretary to the Government of India; and

(d) two persons of impeccable integrity from the civil society nominated by the Administrator.

(5) A person appointed to be the Ombudsman shall, before he enters upon his office, make and subscribe before the Administrator or any other officer appointed in that behalf by him, an oath or affirmation according to the form set out below:—

“I, A. B. having been appointed as the Ombudsman for the _____ Council under the Dadra and Nagar Haveli Municipalities Council Regulation, 2004, do swear in the name of God/Solemnly affirm that I will bear true faith and allegiance to the Constitution of India and I will duly and faithfully and to the best of my ability, knowledge and judgment perform the duties of my office without fear or favour, affection or ill-will.”.

Reg. 2 of 2004.

(6) The Ombudsman shall hold office for a term of three years from the date on which he enters upon his office:

Provided that—

(a) the Ombudsman may, by writing under his hand addressed to the Administrator, resign his office; and

(b) the person appointed as Ombudsman may be removed from his office in the manner provided in section 77B.

(7) The salary and allowance payable to, and the other terms and conditions of service of, the Ombudsman shall be such as may be prescribed.

(8) On expiry of his term of office as Ombudsman, he shall not be eligible for re-appointment as Ombudsman or for further appointment to any office under the Union territory Administration or in any corporation, company, society or university by or under the control of the Union territory Administration.

Removal of
Ombudsman.

78B. (1) The Ombudsman may be removed from his office, by an order of the Administrator, on the ground of proved misbehavior or incapacity.

(2) The procedure for the removal of the Ombudsman under sub-section (1) and for the investigation and proof of the misbehavior or incapacity of the Ombudsman shall be such as may be prescribed.

78C. (1) The Government may in consultation with the Ombudsman, provide the officers and staff to assist the Ombudsman in the discharge of its functions under this Regulation.

Staff of the
Ombudsman.

(2) The salaries, allowances and other conditions of service of the officers and staff provided to the Ombudsman shall be such as may be prescribed.

(3) The Ombudsman may require the assistance of any officer of any Government Department in order to ascertain the veracity of an allegation under investigation and such officer shall be bound to render such assistance in addition and without detriment, to his official duties.

(4) The Ombudsman may utilise the services of any person having experience and expertise in any particular subject in deciding the questions before it.

78D. (1) The Ombudsman shall perform all or any of the following functions, namely:—

Functions of
the
Ombudsman.

(i) investigate into any allegation contained in a complaint or on a reference from the Government or that has come to the notice of the Ombudsman;

(ii) inquire into any complaint in which corruption or maladministration of a member of the Council is alleged;

(iii) pass an order on the allegation in the following manner, namely:—

(a) where the irregularity involves a criminal offence committed by a member of the Council, the matter shall be referred to the appropriate authority for investigation;

(b) where the irregularity causes loss or inconvenience to a citizen, direct the Council to give him compensation and to reimburse the loss from the person responsible for such irregularity;

(c) where the irregularity involves loss or waste or misuse of the fund of the Council, realise such loss from those who are responsible for such irregularity; and

(d) where the irregularity is due to omission or inaction, cause to supply the omission and to rectify the mistake.

(2) In addition to the functions enumerated in sub-section (1), the Ombudsman may pass interim order restraining the Council from doing anything detrimental to the interest of the complainant if it is satisfied that much loss or injury shall be caused to the complainant due to the alleged act.

(3) The Ombudsman may, if it is of opinion that the irregularity involves corrupt practice for personal gain, by order, impose penalty in addition to compensation.

78E. (1) The Ombudsman shall, for the purpose of any investigation or inquiry under this Regulation, have the same powers as are vested in a civil court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

Powers of the
Ombudsman.

(a) summoning and enforcing the attendance of any witness and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or document or copy of such record or document from any office;

(e) issuing commissions for the examination of witness or documents; and

(f) any other matter which may be prescribed.

(2) Where the Ombudsman finds that the allegation contained in a complaint is without any substance or trivial in nature, it may, by order, direct the complainant to pay to the opposite party so much of the amount specified in the order by way of cost.

(3) Where the allegation contained in a complaint is about the loss or waste or misapplication of the fund of the Council or in respect of the loss or inconvenience caused to a citizen, the Ombudsman may, during inquiry, collect evidence, determine the loss and direct in its order the amount to be realised from the person responsible.

(4) If the amount payable as per the order passed by the Ombudsman under sub-section (2) or sub-section (3) is not paid within the period specified by it, the same shall be recoverable as if it were an arrears of land revenue.

Service of
Government
Departments.

78F. The Government may, at the request of the Ombudsman make available the services of officers and employees of the Government including police personnel to assist the Ombudsman in the conduct of investigation and inquiry, and in respect of such functions, such officer or employee shall be deemed to be the officer or employee of the Ombudsman.

Investigation.

78G. (1) The Ombudsman may, in accordance with the provisions of this Regulation, investigate into any complaint filed before it under this Regulation.

(2) Notwithstanding anything contained in this Regulation, the Government may refer any allegation of corruption or maladministration against a Council or a member of the Council which is within its knowledge or brought to its notice, to the Ombudsman and the Ombudsman shall investigate into it as if it was a complaint filed under this Regulation.

(3) The Ombudsman may, on receipt of a complaint, conduct an investigation in the matter and where there is a *prima facie* case, he may conduct a detailed inquiry under section 78H.

(4) The Ombudsman shall not inquire into matters relating to,—

(a) any matter in respect of which a formal and public inquiry has been ordered by the Government;

(b) any matter in respect of which a remedy is available from the Court for Council;

(c) any matter in respect of which an inquiry has been ordered under the Commission of the Inquiries Act, 1952 or any matter pending before a Court; 60 of 1952.

(d) any complaint filed after the expiry of three years from the date on which the matter complained against have taken place:

Provided that the Ombudsman may entertain such complaint if the complainant satisfies that he had sufficient reason for not filing the complaint within the specified period.

Inquiry.

78H. (1) After an investigation, if the Ombudsman is satisfied that,—

(a) the complaint is frivolous or vexatious or is not made in good faith; or

(b) there is no sufficient ground to initiate proceedings; or

(c) other remedies are available to the complainant and it shall be more beneficial for the complainant to avail of such remedies in view of the circumstances of the case,

it may, after recording his findings stating the reason therefor, dispose of the complaint and communicate the same to the complainant.

(2) If the Ombudsman is of the opinion that there is a *prima facie* case against the member or the Council complained of, it shall record its findings to this effect and send notices of the proposed inquiry to the complainant and to the opposite party.

(3) Subject to the provisions of this Regulation and the rules made thereunder, the Ombudsman may regulate its own procedure for the purpose of holding its meeting (including time and place of sitting).

(4) In any proceeding before the Ombudsman, no legal practitioner shall be permitted to represent any person, unless the Ombudsman, by an order, for reasons to be recorded in writing, permits a person to be represented by a legal practitioner.

78-I. (1) Notwithstanding anything contained in any other law for the time being in force, any proceeding relating to a member or the Council which is pending before any authority under this Regulation, on such establishment under sub-section (1) of section 78A shall on such establishment, be transferred to the Ombudsman and the Ombudsman shall decide the proceedings in accordance with the provisions of this Regulation.

Existing cases to be transferred to Ombudsman.

(2) All cases, with regard to the loss, wastage and misappropriation of any land of the Local Self Government Institution, pending before the Government or any other authority shall be transferred to the Ombudsman and the Ombudsman shall dispose of the proceedings in accordance with the provisions of this Regulation.

78J. (1) If, after an investigation or inquiry, the Ombudsman finds that there is a *prima facie* case against the accused, the Ombudsman may, for the reasons be recorded in writing, refer the complaint to a competent authority to initiate prosecution.

Initiation of prosecution.

(2) The competent authority referred to in sub-section (1) shall conduct a detailed inquiry, and if necessary, shall frame the charge.

78K. (1) The Ombudsman may consider and dispose of complaints other than those involving criminal offences in the following manner, namely:—

Disposal of complaints.

(i) award of compensation to a citizen in case of loss or grievance;

(ii) order the recovery of loss caused to the Council from the person responsible;

(iii) order the supply of omission or rectification of defects due to in action;

(iv) order the recovery of loss from the accused failing which, order realisation through Revenue Recovery Proceedings; and

(v) order other necessary remedial measures considering the facts and circumstances of the case.

(2) Where the Ombudsman finds that the procedure or practice regarding the administration of the Council gives room for complaint, it may give suggestions to the Government or the Council relating to the measures for avoiding the recurrence of such complaint.

(3) The Ombudsman shall give annually a detailed report regarding the performance of its functions under this Regulation to the Government.

Power to make rules under this Chapter.

78L. (1) The Government may make rules to carry out the provisions of this Chapter.

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

(a) the salary and allowances payable to, and other terms and conditions of service of, the Ombudsman under sub-section (7) of section 78A;

(b) the procedure for the removal of the Ombudsman and investigation of proof of the misbehaviour or incapacity under sub-section (2) of section 78B;

(c) the salary and allowances payable to, and other terms and conditions of service of, the officers and staff provided to the Ombudsman under sub-section (2) of section 78C; and

(d) any other matter which is required to be or may be prescribed."

Amendment of section 82.

29. In section 82 of the principal Regulation, in sub-section (2), for the word "President", wherever it occurs, the word "Collector" shall be substituted.

Amendment of section 87.

30. In section 87 of the principal Regulation, in sub-section (2), in clause (f), after the word and figure "section 73", the following shall be inserted, namely:—

"and the officers belonging to the Government Departments posted on deputation to the Council".

Amendment of section 90.

31. In section 90 of the principal Regulation,—

(i) in sub-section (2), in clause (c), for the words "rupees fifteen thousand", the words "such amount as may be notified in the Official Gazette by the Government" shall be substituted;

(ii) in sub-section (3), in clause (b), for the words "five hundred rupees", the words "such amount as may be notified in the Official Gazette by the Government" shall be substituted;

(iii) in sub-section (6),—

(a) for the words "one thousand rupees give notice by advertisement in a local newspaper, inviting tenders for such contract", the following shall be substituted, namely:—

"such amount as may be notified in the Official Gazette by the Government and give notice by advertisement, inviting tenders for such contract and follow the procedure laid down by the Government";

(b) in the proviso, the words "in the newspaper" shall be omitted.

Amendment of section 102.

32. In section 102 of the principal Regulation, in sub-section (1), in clause (a), after the words "municipal area,", the words "other than those belonging to the Government or Central Government," shall be inserted.

Amendment of section 108.

33. In section 108 of the principal Regulation, in sub-section (1), in clause (b), the words "increase or" shall be omitted.

Amendment of section 125.

34. In section 125 of the principal Regulation, in sub-section (3), for the words "fifty rupees", the words "two thousand rupees" shall be substituted.

Amendment of section 158.

35. In section 158 of the principal Regulation, in the second proviso, for the words "one hundred rupees", the words "fifty thousand rupees" shall be substituted.

Amendment of section 170.

36. In section 170 of the principal Regulation,—

(i) in sub-section (2), for the words "fine which may extend to one hundred rupees, and in the case of a continuing contravention with further fine which may extend to twenty rupees", the following shall be substituted, namely:—

"simple imprisonment for a term which may extend to six months and fine which may extend to fifty thousand rupees, and in the case of a continuing contravention with further fine which may extend to five hundred rupees";

(ii) in sub-section (8),—

(a) for the words "one hundred rupees", the words "fifty thousand rupees" shall be substituted;

(b) for the words "twenty rupees", the words "five hundred rupees" shall be substituted.

37. In section 171 of the principal Regulation, in sub-section (7), for the words "fine which may extend to one hundred rupees and in the case of continuing offence with further fine which may extend to twenty rupees", the following shall be substituted, namely:—

Amendment of section 171.

"simple imprisonment for a term which may extend to six months and fine which may extend to fifty thousand rupees and in the case of continuing offence with further fine which may extend to five hundred rupees".

38. In section 172 of the principal Regulation, in sub-section (3), for the words "fine which may extend to one hundred rupees, and in the case of continuing offence with further fine which may extend to twenty rupees", the following shall be substituted, namely:—

Amendment of section 172.

"simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing offence with further fine which may extend to five hundred rupees".

39. In section 174 of the principal Regulation, in sub-section (6), for the words "one thousand rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 174.

40. In section 176 of the principal Regulation, in sub-section (2), for the words "fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 176.

41. In section 177 of the principal Regulation, in sub-section (3), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 177.

42. In section 178 of the principal Regulation, in sub-section (2), for the words "fifty rupees", the words "five thousand rupees" shall be substituted.

Amendment of section 178.

43. In section 179 of the principal Regulation, in sub-section (2), for the words "fifty rupees", the words "five thousand rupees" shall be substituted.

Amendment of section 179.

44. In section 180 of the principal Regulation,—

Amendment of section 180.

(i) in sub-section (9), for the words "fine which may extend to five thousand rupees", the following shall be substituted, namely:—

"simple imprisonment for a term which may extend to six months and fine which may extend to one lakh rupees";

(ii) in sub-section (10), for the words "twenty-five rupees", the words "five thousand rupees" shall be substituted.

45. In section 185 of the principal Regulation, in sub-section (5),—

Amendment of section 185.

(i) for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted;

(ii) for the words "twenty-five rupees", the words "five hundred rupees" shall be substituted.

- Amendment of section 186. **46.** In section 186 of the principal Regulation, in sub-section (3), for the words "fine which may extend to five hundred rupees, and in the case of continuing contravention or non-compliance with further fine which may extend to twenty-five rupees", the following shall be substituted, namely:—
- "simple imprisonment for a term which may extend to six months and fine which may extend to one lakh rupees and in the case of continuing contravention or non-compliance with further fine which may not be less than one thousand rupees".
- Amendment of section 187. **47.** In section 187 of the principal Regulation, in sub-section (2),—
- (i) for the words "five hundred rupees", the words "fifty thousand rupees" shall be substituted;
- (ii) for the words "ten rupees", the words "five hundred rupees" shall be substituted.
- Amendment of section 195. **48.** In section 195 of the principal Regulation,—
- (i) in sub-section (1), in clause (a), for the words "fifty feet", the words "fifty meters" shall be substituted;
- (ii) after sub-section (2), the following sub-section shall be inserted, namely:—
- "(2A) Notwithstanding anything contained in any of the provisions of this Regulation, the owner of any building shall connect such building to the sewage in the area where underground sewage system exists, failing which, the Chief Officer may, by notice in writing, direct the owner of such building to connect the building to the underground sewage within such period as specified in the notice.";
- (iii) for sub-section (3), the following sub-section shall be substituted, namely:—
- "(3) Whoever fails to comply with the notice issued by the Chief Officer under sub-section (1) or sub-section (2) or sub-section (2A), as the case may be, shall be punishable with fine which may extend to fifty thousand rupees and in case of continuing offence with further fine which may extend to five hundred rupees for every day after the first during which such offence continues."
- Amendment of section 203. **49.** In section 203 of the principal Regulation, in sub-section (3), for the words "fine which may extend to one hundred rupees", the following shall be substituted, namely:—
- "imprisonment which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing contravention with further fine which may extend to five hundred rupees for every day after the first during which such contravention continues".
- Amendment of section 204. **50.** In section 204 of the principal Regulation, in sub-section (2), for the words "fine which may extend to one hundred rupees", the following shall be substituted, namely:—
- "imprisonment which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing contravention with further fine which may extend to five hundred rupees for every day after the first during which such contravention continues".
- Amendment of section 208. **51.** In section 208 of the principal Regulation,—
- (i) in sub-section (4), for the words "one hundred rupees", the words "five thousand rupees" shall be substituted;
- (ii) in sub-section (7), for the words "three hundred rupees", the words "fifteen thousand rupees" shall be substituted.

- 52.** In section 209 of the principal Regulation, in sub-section (2), for the words "one hundred rupees", the words "five thousand rupees" shall be substituted. Amendment of section 209.
- 53.** In section 210 of the principal Regulation, in sub-section (2),— Amendment of section 210.
- (i) for the words "fifty rupees", the words "ten thousand rupees" shall be substituted;
- (ii) for the words "five rupees", the words "five hundred rupees" shall be substituted.
- 54.** In section 216 of the principal Regulation, in sub-section (2), for the words "two hundred and fifty rupees", the words "ten thousand rupees" shall be substituted. Amendment of section 216.
- 55.** In section 218 of the principal Regulation, in sub-section (2),— Amendment of section 218.
- (i) for the words "fifty rupees", the words "ten thousand rupees" shall be substituted;
- (ii) for the words "ten rupees", the words "five hundred rupees" shall be substituted.
- 56.** In section 219 of the principal Regulation, in sub-section (2),— Amendment of section 219.
- (i) for the words "five hundred rupees", the words "one lakh rupees" shall be substituted;
- (ii) for the words "twenty-five rupees", the words "one thousand rupees" shall be substituted.
- 57.** In section 221 of the principal Regulation,— Amendment of section 221.
- (i) in sub-section (1),—
- (a) after the words "other rubbish", the words "or garbage" shall be inserted;
- (b) for the words "one thousand rupees", the words "ten thousand rupees" shall be substituted;
- (ii) in sub-section (2), for the words "fine which may extend to one thousand rupees", the following shall be substituted, namely:—
- "simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees".
- 58.** In section 222 of the principal Regulation, for the words "fine which may extend to one thousand rupees", the following shall be substituted, namely:— Amendment of section 222.
- "simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees".
- 59.** In section 223 of the principal Regulation,— Amendment of section 223.
- (i) for the words "one thousand rupees", the words "ten thousand rupees" shall be substituted;
- (ii) for the words "two hundred rupees", the words "five hundred rupees" shall be substituted.
- 60.** Section 224 of the principal Regulation shall be omitted. Omission of section 224.
- 61.** In section 225 of the principal Regulation, for the words "one thousand rupees", the words "ten thousand rupees" shall be substituted. Amendment of section 225.
- 62.** In section 228 of the principal Regulation, in sub-section (2),— Amendment of section 228.

(i) for the words "one thousand rupees", the words "ten thousand rupees" shall be substituted;

(ii) for the words "hundred rupees", the words "five hundred rupees" shall be substituted.

Amendment of section 238.

63. In section 238 of the principal Regulation,—

(i) in sub-section (1),—

(a) for the words "two hundred rupees", the words "ten thousand rupees" shall be substituted;

(b) for the words "twenty rupees", the words "five hundred rupees" shall be substituted;

(ii) in sub-section (2),—

(a) for the words "one thousand rupees", the words "fifty thousand rupees" shall be substituted;

(b) for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

Amendment of section 241.

64. In section 241 of the principal Regulation, in sub-section (5), for the words "ten rupees", the words "five thousand rupees" shall be substituted.

Amendment of section 243.

65. In section 243 of the principal Regulation, in sub-section (3), for the words "five hundred rupees", the words "fifty thousand rupees" shall be substituted.

Amendment of section 245.

66. In section 245 of the principal Regulation, in sub-section (3), for the words "two hundred and fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 246.

67. In section 246 of the principal Regulation, in sub-section (2), for the words "one hundred rupees", the words "five thousand rupees" shall be substituted.

Amendment of section 250.

68. In section 250 of the principal Regulation, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Whoever uses or allows to be used any place for any of the purposes specified in sub-section (1), without a licence, or in contravention of any condition subject to which a licence may have been granted under sub-section (1) shall, on conviction, be punished with simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees if the contravention is of clause (i) or clause (ii) of sub-section (1) and with fine which may extend to ten thousand rupees if the contravention is of clause (iii) of that sub-section, and in the case of continuing contravention of the said clause (i) or clause (ii), with further fine of five thousand rupees, and of the said clause (iii) with further fine of one thousand rupees, for every day after the first during which such contravention continues."

Amendment of section 252.

69. In section 252 of the principal Regulation, in sub-section (2), for the words "fine which may extend to one hundred rupees", the following shall be substituted, namely:—

"simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees".

Amendment of section 255.

70. In section 255 of the principal Regulation, in sub-section (3), for the words "fine which may extend to fifty rupees", the following shall be substituted, namely:—

"simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees".

Amendment of section 257.

71. In section 257 of the principal Regulation, in sub-section (3),—

(i) for the words "five hundred rupees", the words "one lakh rupees" shall be substituted;

(ii) for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

72. In section 258 of the principal Regulation, in sub-section (3),—

Amendment of section 258.

(i) for the words "five hundred rupees", the words "one lakh rupees" shall be substituted;

(ii) for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

73. In section 259 of the principal Regulation, in sub-section (3),—

Amendment of section 259.

(i) for the words "five hundred rupees", the words "one lakh rupees" shall be substituted;

(ii) for the words "fifty rupees", the words "one thousand rupees" shall be substituted.

74. In section 261 of the principal Regulation, in sub-section (3), for the words "fine which may extend to one thousand rupees", the following shall be substituted, namely:—

Amendment of section 261.

"simple imprisonment for a term which may extend to three months and fine which may extend to fifty thousand rupees and in the case of continuing offence with further fine which may extend to one thousand rupees for every day after the first during which such offence continues".

75. In section 262 of the principal Regulation, in sub-section (2),—

Amendment of section 262.

(i) for the words "fifty rupees", the words "ten thousand rupees" shall be substituted;

(ii) for the words "five rupees", the words "five hundred rupees" shall be substituted.

76. In section 263 of the principal Regulation, in sub-section (3), for the words "fine which may extend to five hundred rupees, and in the case of continuing offence with further fine which may extend to fifty rupees", the following shall be substituted, namely:—

Amendment of section 263.

"simple imprisonment for a term which may extend to one month and fine which may extend to fifty thousand rupees, and in the case of continuing offence with further fine which may extend to one thousand rupees".

77. In section 264 of the principal Regulation, in sub-section (3), for the words "fine which may extend to two hundred rupees, and in the case of continuing offence with further fine which may extend to twenty rupees", the following shall be substituted, namely:—

Amendment of section 264.

"simple imprisonment for a term which may extend to one month and fine which may extend to ten thousand rupees, and in the case of continuing offence with further fine which may extend to five thousand rupees".

78. In section 268 of the principal Regulation, in sub-section (3),—

Amendment of section 268.

(i) for the word "imprisonment", the words "simple imprisonment" shall be substituted;

(ii) for the words "five hundred rupees", the words "five thousand rupees" shall be substituted.

79. In section 273 of the principal Regulation, in sub-section (3), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 273.

80. In section 274 of the principal Regulation,—

Amendment of section 274.

(i) in sub-section (1),—

(a) in clause (i), for the words "three hundred rupees", the words "ten thousand rupees" shall be substituted;

(b) in clause (ii), for the words "five hundred rupees", the words "twenty thousand rupees" shall be substituted;

(ii) in sub-section (2), in clause (a), for the words "two hundred and fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 275.

81. In section 275 of the principal Regulation,—

(i) in clause (a), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted;

(ii) in clause (b), for the words "two hundred and fifty rupees", the words "twenty thousand rupees" shall be substituted.

Amendment of section 277.

82. In section 277 of the principal Regulation, in sub-section (2), for the words "fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 278.

83. In section 278 of the principal Regulation, in sub-section (2), for the words "one hundred rupees", the words "two thousand rupees" shall be substituted.

Amendment of section 279.

84. In section 279 of the principal Regulation, in sub-section (6),—

(i) for the word "one-fourth", the word "one-half" shall be substituted;

(ii) for the words "two hundred and fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 282.

85. In section 282 of the principal Regulation,—

(i) for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted;

(ii) for the words "ten rupees", the words "one thousand rupees" shall be substituted.

Amendment of section 283.

86. In section 283 of the principal Regulation, for the words "two hundred and fifty rupees", the words "five thousand rupees" shall be substituted.

Amendment of section 307.

87. In section 307 of the principal Regulation, in sub-section (1), in the proviso, in clause (c), for the words "seven and a half per cent.", the words "fifteen per cent." shall be substituted.

Amendment of section 308.

88. In section 308 of the principal Regulation, for the words "fifty rupees", the words "ten thousand rupees" shall be substituted.

Amendment of section 323.

89. In section 323 of the principal Regulation, in clause (c), for the words and figures "the Dadra and Nagar Haveli Panchayat Regulation, 1965", the words and figures "the Dadra and Nagar Haveli Panchayat Regulation, 2012" shall be substituted.

Reg. 3 of 1965.
Reg. 5 of 2012.

Insertion of a new Schedule.

90. After Schedule VIII of the principle Regulation, the following Schedule shall be inserted, namely:—

"SCHEDULE IX

[See section 17(1)(n)]

Provisions as to disqualification on ground of defection

1. Disqualification on ground of defection.—(1) Subject to the provisions of paragraph 2, a Councillor of the Council belonging to any political party shall be disqualified for being a Councillor of the Council—

(a) if he has voluntarily given up his membership of such political party; or

(b) if he votes or abstains from voting in the Council contrary to any direction issued by the political party to which he belongs or by any person or authority authorised by it in this behalf, without obtaining, in either case, the prior permission of such political party, person or authority and such voting or abstention has not been condoned by such political party, person or authority within fifteen days from the date of such voting or abstention.

Explanation.—For the purposes of this sub-paragraph, a Councillor of the Council shall be deemed to belong to the political party, if any, by which he was, set up as a candidate for election as such a Councillor.

(2) A Councillor of the Council who has been elected as such otherwise than as a candidate set up by any political party shall be disqualified for being a Councillor of the Council if he joins any political party after such election.

(3) Notwithstanding anything contained in sub-paragraphs (1) and (2), a person who, on the commencement of the Dadra and Nagar Haveli Municipal Council (Amendment) Regulation, 2018 is a Councillor of the Council shall,—

(i) where he was a member of a political party immediately before such commencement, be deemed, for the purposes of sub-paragraph (1) of this paragraph, to have been elected as a Councillor of such Council as a candidate set up by such political party;

(ii) in any other case, be deemed to be a Councillor of the Council who has been elected as such otherwise than as a candidate set up by any political party for the purposes of sub-paragraph (2) of this paragraph.

2. Disqualification on ground of defection not to apply in case of merger.—(1) A Councillor of the Council shall not be disqualified under sub-paragraph (1) of paragraph 1 where his original political party merges with another political party and he claims that he and any other Councillors of his original political party—

(a) have become members of such other political party or, as the case may be, of a new political party formed by such merger; or

(b) have not accepted the merger and opted to function as a separate group, and from the time of such merger, such other political party or new political party or group, as the case may be, shall be deemed to be the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 1 and to be his original political party for the purpose of this sub-paragraph.

(2) For the purposes of sub-paragraph (1) of this paragraph, the merger of the original political party of a Councillor of the Council shall be deemed to have taken place if, and only if, not less than two-thirds of the Councillors of such political party in the Council concerned have agreed to such merger.

3. Decision on question as to disqualification on ground of defection.—(1) If any question arises as to whether a Councillor of the Council has become subject to disqualification under this Schedule, the question shall be referred to the Administrator and the decision of the Administrator thereon shall be final.

(2) Before giving any decision on any such question referred under sub-paragraph (1), the Administrator shall obtain the opinion of the Election Commission referred to in section 5.

4. Rules.—The Administrator may make rules for giving effect to the provisions of this Schedule, and in particular and without prejudice to the generality of the foregoing powers, such rules may provide for—

(a) the maintenance of register or other records as to the political parties, if any, to which different Councillors of the Council belong;

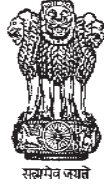
(b) the report which the leader of a political party in relation to a Councillor of the Council shall furnish with regard to any condonation of the nature referred to in clause (b) of sub-paragraph (1) of paragraph 1 in respect of such Councillor, the time within which and the authority to which such report shall be furnished;

(c) the report, which a political party, shall furnish with regard to admission to such political party of any Councillor of the Council and the officer of the Council to which such report shall be furnished; and

(d) the procedure for deciding any question referred to in sub-paragraph (1) of paragraph 3 including the procedure for any inquiry which may be made for the purpose of deciding such question."

RAM NATH KOVIND,
President.

DR. G NARAYANARAJU,
Secretary to the Govt. of India.



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 1

PART II — Section 1

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

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NEW DELHI, MONDAY, MARCH 26, 2018/CHAITRA 5, 1940 (SAKA)

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.

MINISTRY OF LAW AND JUSTICE

(Legislative Department)

New Delhi, the 26th March, 2018/Chaitra 5, 1940 (Saka)

THE ANDAMAN AND NICOBAR ISLANDS (MUNICIPAL) AMENDMENT REGULATION, 2018

No. 3 OF 2018

Promulgated by the President in the Sixty-ninth Year of the Republic of India as follows:—

A Regulation to amend the Andaman and Nicobar Islands (Municipal) Regulation, 1994.

In exercise of the powers conferred by article 240 of the Constitution, the President is pleased to promulgate the following Regulation made by him:—

1. (1) This Regulation may be called the Andaman and Nicobar Islands (Municipal) Amendment Regulation, 2018.

Short title and commencement.

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

Reg. 5 of 1994.

2. Throughout the Andaman and Nicobar Islands (Municipal) Regulation, 1994 (hereinafter referred to as the principal Regulation), for the words "servant" and "servants", wherever they occur, the words "employee" and "employees" shall respectively be substituted, and such other consequential amendments as the rules of grammar may require shall also be made.

Substitution of reference of certain expressions by certain other expressions.

3. In section 2 of the principal Regulation, in clause (26), after the words "Official Gazette", the following shall be inserted, namely:—

Amendment of section 2.

'and the expression "notified" shall be construed accordingly'.

Amendment
of section 12.

4. In section 12 of the principal Regulation, in sub-section (2), after the word "Constitution", the words "or on the ground of defection specified in the Schedule" shall be inserted.

Amendment
of section 17.

5. In section 17 of the principal Regulation, for sub-sections (4), (5), (6), (7), (8), (9) and (10), the following sub-sections shall be substituted, namely:—

"(4) Every Chairperson or Vice-Chairperson of the Municipality may be removed from his office if a resolution of the Municipality expressing want of confidence in him is passed by a majority of the total members of the Municipality present at a meeting specially convened for the purpose:

Provided that no such resolution shall be moved unless,—

(a) a notice of the intention to move the resolution has been given within such period as may be prescribed and signed by a majority of one-third members of the Municipality; and

(b) it contains a proposal for election of a new Chairperson or Vice-Chairperson of the Municipality.

(5) At any meeting of the Municipality, while any resolution for removal of the Chairperson from his office is under consideration, the Chairperson, or while any resolution for removal of the Vice-Chairperson from his office is under consideration, the Vice-Chairperson, shall not, though he is present, preside.

(6) The meeting shall be presided over by the Vice-Chairperson if the motion is against the Chairperson and by the Chairperson if the motion is against the Vice-Chairperson.

(7) At any meeting of the Municipality, while any resolution for electing a successor to the office of the Chairperson is under consideration, the candidate to the office of the Chairperson, or while any resolution for electing a successor to the office of the Vice-Chairperson is under consideration, the candidate to the office of the Vice-Chairperson, shall not, though he is present, preside.

(8) The Chairperson or Vice-Chairperson shall have right to speak in, and otherwise to take part in the proceeding of such meeting of the Municipality while any resolution for removal from his office is under consideration in the Municipality and shall be entitled to vote only in the first instance on such resolution or on any other matter during such proceeding but not in the case of an equality of votes.

(9) The provisions of sub-sections (6), (7) and (8) shall apply *mutatis mutandis* to the person contesting the election for the post of Chairperson or Vice-Chairperson of the Municipality.

(10) The procedure to be followed for the meeting shall be such as may be prescribed."

Substitution of
new section
for section 27.

6. For section 27 of the principle Regulation, the following section shall be substituted, namely:—

Punishment of
officers and
employees.

"27. (1) Without prejudice to the provisions of any law for the time being in force, the following penalties may, for good reasons, be imposed upon any officer or employee of the Municipality,—

(a) minor penalties—

(i) censure;

(ii) withholding of promotion;

(iii) recovery from his pay of the whole or part of any pecuniary loss caused by him to the Municipality by negligence or breach of orders;

(iv) withholding of increments of pay;

(b) major penalties—

(i) reduction to a lower post on a fixed pay or a time scale or to a lower stage in a time scale;

(ii) removal from the service, which does not disqualify from future employment;

(iii) dismissal from the service, which ordinarily disqualifies from future employment.

(2) The major penalties mentioned in clause (b) of sub-section (1) may be imposed on an officer or employee of the Municipality by the authority competent to make the appointment of the officer or employee:

Provided that the minor penalties mentioned in clause (a) of sub-section (1) may be imposed by the Secretary (Urban Development), Andaman and Nicobar Administration:

Provided further that suspension of an officer or employee pending inquiry into the allegations against such officer or employee shall not be deemed to be a penalty and shall be ordered only by the authority competent to make appointment to the post held by such officer or employee.

(3) No officer or employee shall be imposed major penalties mentioned in clause (b) or sub-section (1) unless he has been given a reasonable opportunity of showing cause against such penalties:

Provided that this sub-section shall not apply where a person is reduced, removed or dismissed on the ground of conduct which has led to his conviction on a criminal charge.

(4) An appeal against any order imposing any penalty mentioned in sub-section (1) may be made—

(i) in case if an order imposing any minor penalty mentioned in clause (a) of sub-section (1), to the Secretary (Urban Development), Andaman and Nicobar Administration;

(ii) in case if an order imposing any major penalty mentioned in clause (b) of sub-section (1), to the Administrator.

(5) No such appeal may be entertained if not preferred within one months from the date of receipt of the order appealed against by the officer or employee concerned.

(6) The appellate authority referred to in sub-section (4), within six months of the date of the order passed, may at any time, either on his or its own motion or otherwise, call for the records of any inquiry and revise any order made for reduction to a lower post or rank or removal or dismissal from the service, and may—

(i) confirm, modify, reduce, enhance or set aside the order; or

(ii) remit the case to the authority which made the order to or any other authority directing such authority to make such further enquiry as he or it may consider proper in the circumstances of the case; or

(iii) pass such orders as he or it may deem fit.

(7) The Administrator may, at any time, either on his own motion or otherwise, review any order passed under this section, when any new material or evidence which could not be produced or was not available at the time of passing the order under review and which has the effect of changing the nature of the case, has come, or has been brought, to his notice.”.

Insertion of new Chapter IIIA.

7. After section 31 of the principal Regulation, the following Chapter shall be inserted, namely:—

"CHAPTER IIIA

OMBUDSMAN FOR MUNICIPALITIES

Establishment, term of office and conditions of service of Ombudsman.

31A. (1) The Government shall, by notification in the Official Gazette, establish an authority to be known as the Ombudsman for making investigations and inquiries, in respect of charges on any action involving corruption or maladministration or irregularities in the discharge of administrative functions by the members of the Municipality under this Regulation.

(2) The Ombudsman shall consist of one member to be appointed by the Administrator, on the recommendation of a committee referred to in sub-section (4).

(3) The Ombudsman shall not be a Government employee.

(4) The Committee referred to in sub-section (2) shall comprise of the following, namely:—

(a) Secretary (Urban Development), Andaman and Nicobar Administration;

(b) a retired District Judge;

(c) a retired civil employee who has held a post in the Central Government or State Government not below the rank of a Joint Secretary to the Government of India; and

(d) two persons of impeccable integrity from the civil society nominated by the Administrator.

(5) A person appointed to be the Ombudsman shall, before he enters upon his office, make and subscribe before the Administrator or any other officer appointed in that behalf by him, an oath or affirmation according to the form set out below:—

'I, A.B. having been appointed as the Ombudsman for the _____ Municipality under the Andaman and Nicobar Islands (Municipal) Regulation, 1994, do swear in the name of God/Solemnly affirm that I will bear true faith and allegiance to the Constitution of India and I will duly and faithfully and to the best of my ability, knowledge and judgment perform the duties of my office without fear or favour, affection or ill-will'.

(6) The Ombudsman shall hold office for a term of three years from the date on which he enters upon his office:

Provided that—

(a) the Ombudsman may, by writing under his hand addressed to the Administrator, resign his office; and

(b) the person appointed as Ombudsman may be removed from his office in the manner provided in section 31B.

(7) The salary and allowance payable to, and the other terms and conditions of service of, the Ombudsman shall be such as may be prescribed.

(8) On expiry of his term of office as Ombudsman, he shall not be eligible for re-appointment as Ombudsman or for further appointment to any office under the Government or in any corporation, company, society or university by or under the control of the Government.

Removal of Ombudsman.

31B. (1) The Ombudsman may be removed from his office, by an order of the Administrator, on the ground of proved misbehaviour or incapacity.

(2) The procedure for the removal of the Ombudsman under sub-section (1) and for the investigation and proof of the misbehaviour or incapacity of the Ombudsman shall be such as may be prescribed.

31C. (1) The Government may, in consultation with the Ombudsman provide such officers and staff to assist the Ombudsman in the discharge of its functions under this Regulation.

Staff of
Ombudsman.

(2) The salaries, allowances and other conditions of the service of the officers and staff provided to the Ombudsman shall be such as may be prescribed.

(3) The Ombudsman may require the assistance of any officer of any Government Department in order to ascertain the veracity of an allegation under investigation and such officer shall be bound to render such assistance in addition and without detriment, to his official duties.

(4) The Ombudsman may utilise the services of any person having experience and expertise in any particular subject in deciding the questions before it.

31D. (1) The Ombudsman shall perform all or any of the following functions, namely:—

Functions of
Ombudsman.

(i) investigate into any allegation contained in a complaint or on a reference from the Government, or that has come to the notice of the Ombudsman;

(ii) inquire into any complaint in which corruption or maladministration of a member of a Municipality is alleged;

(iii) pass an order on the allegation in the following manner, namely:—

(a) where the irregularity involves a criminal offence committed by a member of the Municipality, the matter shall be referred to the appropriate authority for investigation;

(b) where the irregularity causes loss or inconvenience to a citizen, direct the Municipality to give him compensation and to reimburse the loss from the person responsible for such irregularity;

(c) where the irregularity involves loss or waste or misuse of the fund of the Municipality, realise such loss from those who are responsible for such irregularity; and

(d) where the irregularity is due to omission or inaction, cause to supply the omission and to rectify the mistake.

(2) In addition to the functions enumerated in sub-section (1), the Ombudsman may pass interim order restraining the Municipality from doing anything detrimental to the interest of the complainant, if it is satisfied that much loss or injury shall be caused to the complainant due to the alleged act.

(3) The Ombudsman may, if it is of the opinion that the irregularity involves corrupt practice for personal gain, by an order, impose penalty in addition to compensation.

31E. (1) The Ombudsman shall, for the purpose of any investigation or inquiry under this Regulation, have the same powers as are vested in a civil court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

Powers of
Ombudsman.

(a) summoning and enforcing the attendance of any witness and examining him on oath;

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) requisitioning any public record or document or copy of such record or document from any office;

(e) issuing commissions for the examination of witness or documents; and

(f) any other matter which may be prescribed.

(2) Where the Ombudsman finds that the allegation contained in a complaint is without any substance or trivial in nature, it may, by order, direct the complainant to pay to the opposite party so much of the amount specified in the order by way of cost.

(3) Where the allegation contained in a complaint is about the loss or waste or misapplication of the fund of the Municipality or in respect of the loss or inconvenience caused to a citizen, the Ombudsman may, during inquiry, collect evidence, determine the loss and direct in its order the amount to be realised from the person responsible.

(4) If the amount payable as per the order passed by the Ombudsman under sub-section (2) or sub-section (3) is not paid within the period specified by it, the same shall be recoverable as if it were an arrears of land revenue.

Service of
Government
Departments.

31F. The Government may, at the request of the Ombudsman make available the services of officers and employees of the Government including police personnel to assist the Ombudsman in the conduct of investigation and inquiry, and in respect of such functions, such officer or employee shall be deemed to be the officer or employee of the Ombudsman.

Investigation.

31G. (1) The Ombudsman may, in accordance with the provisions of this Regulation, investigate into any complaint filed before it under this Regulation.

(2) Notwithstanding anything contained in this Regulation, the Government may refer any allegation of corruption or maladministration against a Municipality or a member of the Municipality which is within its knowledge or brought to its notice, to the Ombudsman and the Ombudsman shall investigate into it as if, it was a complaint filed under this Regulation.

(3) The Ombudsman may, on receipt of a complaint, conduct an investigation in the matter and where there is a *prima facie* case, it may conduct a detailed inquiry under section 31H.

(4) The Ombudsman shall not investigate or inquiry into matters relating to,—

(a) any matter in respect of which a formal and public inquiry has been ordered by the Government;

(b) any matter in respect of which a remedy is available from the Court for Municipality;

(c) any matter in respect of which an inquiry has been ordered under the Commission of Inquiries Act, 1952 or any matter pending before a Court; and

60 of 1952.

(d) any complaint filed after the expiry of three years from the date on which the matter complained against has taken place:

Provided that the Ombudsman may entertain such complaint, if the complainant satisfies that he had sufficient reason for not filing the complaint within the specified period.

Inquiry.

31H. (1) After an investigation, if the Ombudsman is satisfied that—

(a) the complaint is frivolous or vexatious or is not made in good faith; or

(b) there is no sufficient ground to initiate proceedings; or

(c) other remedies are available to the complainant and it shall be more beneficial for the complainant to avail of such remedies in view of the circumstances of the case,

it may, after recording its findings and stating the reason therefor, dispose of the complaint and communicate the same to the complainant.

(2) If the Ombudsman is of the opinion that there is a *prima facie* case against a member of the Municipality complained of, it shall record its findings to this effect and send notices of the proposed inquiry to the complainant and to the opposite party.

(3) Subject to the provisions of this Regulation and rules made thereunder, the Ombudsman shall regulate its own procedure for the purpose of holding its meeting (including time and place of sitting).

(4) In any proceeding before the Ombudsman, no legal practitioner shall be permitted to represent any person, unless the Ombudsman, by an order, permits a person to be represented by a legal practitioner for reasons to be recorded.

31-I. (1) Notwithstanding anything contained in any other law for the time being in force, any proceeding relating to a member of the Municipality which is pending before any authority under this Regulation before the establishment of the Ombudsman under sub-section (1) of section 31A, shall, on such establishment, be transferred to the Ombudsman and the Ombudsman shall decide the proceeding in accordance with the provisions of this Regulation.

Existing cases to be transferred to Ombudsman.

(2) All cases, with regard to the loss, wastage and misappropriation of any land of the Local Self Government Institution, pending before the Government or any other authority shall be transferred to the Ombudsman and the Ombudsman shall dispose of the proceeding in accordance with the provisions of this Regulation.

31J. (1) If, after an investigation or inquiry, the Ombudsman finds that there is a *prima facie* case against the accused, the Ombudsman may, for the reasons to be recorded in writing, refer the complaint to a competent authority to initiate prosecution.

Initiation of prosecution.

(2) The competent authority referred to in sub-section (1) shall conduct a detailed inquiry and if necessary, shall frame the charge.

31K. (1) The Ombudsman may consider and dispose of complaints other than those involving criminal offences, in the following manner, namely:—

Disposal of complaints.

- (i) award of compensation, to a citizen in case of loss or grievance;
- (ii) order the recovery of loss caused to the Municipality from the person responsible;
- (iii) order the supply of omission or rectification of defects due to inaction;
- (iv) order the recovery of loss from the accused failing which, order realisation through revenue recovery proceedings; and
- (v) order other necessary remedial measures considering the facts and circumstances of the case.

(2) Where the Ombudsman finds that the procedure or practice regarding the administration of the Municipality gives room for complaint, it may give suggestions to the Government or the Municipality relating to the measures for avoiding the recurrence of such complaint.

(3) The Ombudsman shall give annually a detailed report regarding the performance of its functions under this Regulation to the Government.

31L. (1) The Government may make rules to carry out the provisions of this Chapter.

Power to make rules under this Chapter.

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

- (a) the salary and allowances payable to, and other terms and conditions of service of, the Ombudsman under sub-section (7) of section 31A;

(b) the procedure for the removal of the Ombudsman and investigation of proof of the misbehaviour or incapacity under sub-section (2) of section 31B;

(c) the salary and allowances payable to, and other terms and conditions of service of, the officers and staff provided to the Ombudsman under sub-section (2) of section 31C; and

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

Amendment
of section 32.

8. In section 32 of the principal regulation, after sub-section (2), the following sub-section shall be inserted, namely:—

"(3) Notwithstanding anything contained in this Regulation or the rules made thereunder, the giving or recording of vote by Electronic Voting Machine may be adopted in such ward or wards of the Municipality as the Election Commission may, having regard to the circumstances of each case, specify.

Explanation.—For the purposes of this section, "Electronic Voting Machine" means any machine or apparatus whether operated electronically or otherwise, used for giving or recording of vote and any reference to a ballot box or ballot paper in this Regulation or the rules made thereunder shall, save as otherwise provided, be construed as including a reference to such Electronic Voting Machine wherever such Electronic Machine is used at any election."

Amendment
of section 47.

9. In section 47 of the principal Regulation, for clause (b), the following clause shall be substituted, namely:—

"(b) subject to the provisions of this Regulation, the Chairperson shall have general powers of inspection and may call any record of the Municipality from the Secretary and the same shall be made available to him and shall be returned by him within fifteen days from the date they are made available to him."

Amendment
of section 52.

10. In section 52 of the principal Regulation, after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) The Secretary shall exercise all the powers of the Head of the Department as per the provisions of the General Financial Rules in respect of the Departments of Union territory."

Amendment
of section
108.

11. In section 108 of the principal Regulation, in sub-section (2), for the words "shall be punishable with fine which may extend to twenty rupees and with a further fine not exceeding ten rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government and with a further fine not exceeding such amount as may be notified by the Government" shall be substituted.

Amendment
of section
115.

12. In section 115 of the principal Regulation, for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.

Amendment
of section
116.

13. In section 116 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.

Amendment
of section
119.

14. In section 119 of the principal Regulation, in sub-section (4), for the words "shall be punishable with fine which may extend to ten rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.

Amendment
of section
121.

15. In section 121 of the principal Regulation, in sub-section (2), for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.

Amendment
of section
123.

16. In section 123 of the principal Regulation, for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.

- 17.** In section 124 of the principal Regulation, for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 124.
- 18.** In section 125 of the principal Regulation, in sub-section (2), for the words "shall be punishable with fine which may extend to two hundred rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 125.
- 19.** In section 127 of the principal Regulation, in clause (c), for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 127.
- 20.** In section 129 of the principal Regulation, in sub-section (4), for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 129.
- 21.** In section 130 of the principal Regulation, in sub-section (2), for the words "shall be punishable with fine which may extend to ten rupees", the words "shall be liable to pay a fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 130.
- 22.** In section 137 of the principal Regulation, in sub-section (4), for the words "shall be punishable with fine which may extend to fifty rupees and in the case of continuing offence with a further fine which may extend to ten rupees", the words "shall be liable to pay a fine which may extend to such amount as may be notified by the Government and in the case of continuing offence, with a further fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 137.
- 23.** In section 138 of the principal Regulation, for the words "shall be punishable with fine which may extend to rupees fifty", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 138.
- 24.** In section 141 of the principal Regulation, in sub-section (2), for the words "rupees one hundred and in the case of continuing failure, with a further fine which may extend to ten rupees", the words "such amount as may be notified by the Government and in the case of continuing failure, with a further fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 141.
- 25.** In section 144 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees and in the case of continuing offence with further fine which may extend to five rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government and in the case of continuing offence, with further fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 144.
- 26.** In section 145 of the principal Regulation,—
- (i) for the words "shall be punishable with fine which may extend to twenty-five rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted;
- (ii) in the *Explanation*, for the word "punishable", the word "fined" shall be substituted. Amendment of section 145.
- 27.** In section 146 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted. Amendment of section 146.

- Amendment of section 150. **28.** In section 150 of the principal Regulation, in sub-section (1), for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 155. **29.** In section 155 of the principal Regulation, for the words "shall be punishable with fine which may extend to ten rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 156. **30.** In section 156 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 157. **31.** In section 157 of the principal Regulation, in sub-section (2), for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 158. **32.** In section 158 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 159. **33.** In section 159 of the principal Regulation, for the words "shall be punishable with fine which may extend to twenty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Amendment of section 160. **34.** In section 160 of the principal Regulation,—
 (i) in sub-section (1), for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted;
 (ii) in sub-section (2), for the words "one hundred rupees", the words "ten thousand rupees" shall be substituted.
- Amendment of section 203. **35.** In section 203 of the principal Regulation,—
 (a) in sub-section (2), after clause (a), the following clause shall be inserted, namely:—
 "(aa) the period of notice under clause (a) of proviso to sub-section (4) of section 17;
 (ab) the procedure for the special meeting under sub-section (10) of section 17;"
 (b) in sub-section (3), for the words "shall be punishable with fine which may extend to fifty rupees", the words "shall be liable to pay fine which may extend to such amount as may be notified by the Government" shall be substituted.
- Insertion of new Schedule. **36.** After Chapter XIV of the principal Regulation, the following Schedule shall be inserted, namely:—

“THE SCHEDULE

[See section 12(2)]

Provision as to disqualification on ground of defection

1. Disqualification on ground of defection.—(1) Subject to the provisions of paragraph 2, member belonging to any political party shall be disqualified for being a member—

(a) if he has voluntarily given up his membership of such political party; or

(b) if he votes or abstains from voting in the Municipality contrary to any direction issued by the political party to which he belongs or by any person or

authority authorised by it in this behalf, without obtaining, in either case, the prior permission of such political party, person or authority and such voting or abstention has not been condoned by such political party, person or authority within fifteen days from the date of such voting or abstention.

Explanation.—For the purposes of this sub-paragraph, a member shall be deemed to belong to the political party, if any, by which he was set up as a candidate for election as such a Member.

(2) A member who has been elected as such otherwise than as a candidate set up by any political party shall be disqualified for being a Member if he joins any political party after such election.

(3) Notwithstanding anything contained in sub-paragraphs (1) and (2), a person who, on the commencement of the Andaman and Nicobar Islands (Municipal) Amendment Regulation, 2018 is a Member shall,—

(i) where he was a Member of a political party immediately before such commencement, be deemed, for the purpose of sub-paragraph (1) of this paragraph, to have been elected as a member of such Municipality as a candidate set up by such political party;

(ii) in any other case, be deemed to be a member who has been elected as such otherwise than as a candidate set up by any political party for the purpose of sub-paragraph (2) of this paragraph.

2. Disqualification on ground of defection not to apply in case of merger.—(1) A member shall not be disqualified under sub-paragraph (1) of paragraph 1 where his original political party merges with another political party and he claims that he and any other Members of his original political party—

(a) have become Members of such other political party or, as the case may be, of a new political party formed by such merger; or

(b) have not accepted the merger and opted to function as a separate group, and from the time of such merger, such other political party or new political party or group, as the case may be, shall be deemed to be the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 1 and to be his original political party for the purposes of this sub-paragraph.

(2) For the purposes of sub-paragraph (1), the merger of the original political party of a member shall be deemed to have taken place if, and only if, not less than two-thirds of the Members of such political party in the Municipality concerned have agreed to such merger.

3. Decision on question as to disqualification on ground of defection.—(1) If any question arises as to whether a member has become subject to disqualification under this Schedule, the question shall be referred to the Administrator and the decision of the Administrator thereon shall be final.

(2) Before giving any decision on any such question referred under sub-paragraph (1), the Administrator shall obtain the opinion of the Election Commission.

4. Rules—The Administrator may make rules for giving effect to the provisions of this Schedule, and in particular and without prejudice to the generality of the foregoing powers, such rules may provide for—

(a) the maintenance of registers or other records as to the political parties, if any, to which different members belong;

(b) the report which the leader of a political party in relation to a member shall furnish with regard to any condonation of the nature referred to in

clause (b) of sub-paragraph (1) of paragraph 1 in respect of such member, the time within which and the authority to which such report shall be furnished;

(c) the report, which a political party, shall furnish with regard to admission to such political party of any member and the officer of the Municipality to which such report shall be furnished; and

(d) the procedure for deciding any question referred to in paragraph 3 including the procedure for any inquiry which may be made for the purpose of deciding such question.”.

RAM NATH KOVIND,
President.

DR. G. NARAYANA RAJU,
Secretary to the Govt. of India.