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EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

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NEW DELHI, FRIDAY, JULY 30, 2021/SHRAVANA 8, 1943 (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 30th July, 2021:—

BILL NO. 110 OF 2021

A bill to provide for the constitution of the Commission for Air Quality Management in National Capital Region and Adjoining Areas for better co-ordination, research, identification and resolution of problems surrounding the air quality index and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Commission for Air Quality Management in National Capital Region and Adjoining Areas Act, 2021.

Short title,
application and
commencement.

(2) It shall apply to the National Capital Region and also to adjoining areas in so far as it relates to matters concerning air pollution in the National Capital Region.

(3) It shall be deemed to have come into force on the 13th April, 2021.

Definitions.

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

(a) “adjoining areas” means the areas in the States of Haryana, Punjab, Rajasthan and Uttar Pradesh, adjoining the National Capital Territory of Delhi and the National Capital Region, where any source of pollution is located, causing adverse impact on air quality in the National Capital Region;

(b) “Associate Member” means a member who is co-opted under sub-section (3) of section 3;

(c) “Chairperson” means the Chairperson of the Commission for Air Quality Management in National Capital Region and Adjoining Areas referred to in section 3;

(d) “Commission” means the Commission for Air Quality Management in National Capital Region and Adjoining Areas constituted under section 3;

(e) “Member” means a Member of the Commission and includes the Chairperson thereof;

(f) “National Capital Region” shall have the same meaning as assigned to it in clause (f) of section 2 of the National Capital Region Planning Board Act, 1985;

2 of 1985.

(g) “prescribed” means prescribed by rules made under this Act.

(2) The words used herein and not defined, but defined in the Environment (Protection) Act, 1986, shall have the meaning as assigned to them in that Act.

26 of 1986.

CHAPTER II

COMMISSION FOR AIR QUALITY MANAGEMENT IN NATIONAL CAPITAL REGION AND ADJOINING AREAS

Constitution of Commission.

3. (1) The Central Government shall, by notification in the Official Gazette, constitute a body to be known as the Commission for Air Quality Management in National Capital Region and Adjoining Areas to exercise the powers conferred upon, and to perform the functions assigned to, that Commission under this Act.

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

(a) a full-time Chairperson having experience of not less than fifteen years in the field of environment protection and pollution control or having administrative experience of not less than twenty-five years;

(b) a representative of the Secretary to the Government of India in the Ministry of Environment, Forest and Climate Change, who shall be an officer not below the rank of Joint Secretary, *ex officio*;

(c) five *ex officio* Members who are either Chief Secretaries, or Secretaries in-charge of the department dealing with environment protection in the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;

(d) one full-time Member who is or has been a Joint Secretary to the Government of India;

(e) three full-time independent technical Members to be appointed from amongst persons having specific knowledge and experience in matters relating to air pollution;

(f) one technical Member from the Central Pollution Control Board, *ex officio*;

(g) one technical Member to be nominated by the Indian Space Research Organisation, *ex officio*;

(h) three Members from non-Governmental organisations having experience in matters concerning combating of air pollution;

(i) one representative of the National Institution for Transforming India, not below the rank of Joint Secretary or Adviser, *ex officio*;

(j) one officer in the rank of Joint Secretary to the Government of India to be appointed by the Central Government as a full-time Member-Secretary of the Commission;

(k) three members, being stakeholders from such sectors as agriculture, industry, transport or construction.

(3) The Commission may co-opt the following persons as Associate Members, namely:—

(a) a representative of the Ministry of Road Transport and Highways, not below the rank of Joint Secretary to the Government of India;

(b) a representative of the Ministry of Power, not below the rank of Joint Secretary to the Government of India;

(c) a representative of the Ministry of Housing and Urban Affairs, not below the rank of Joint Secretary to the Government of India;

(d) a representative of the Ministry of Petroleum and Natural Gas, not below the rank of Joint Secretary to the Government of India;

(e) a representative of the Ministry of Agriculture and Farmers' Welfare, not below the rank of Joint Secretary to the Government of India;

(f) a representative of the Ministry of Commerce and Industry, not below the rank of Joint Secretary to the Government of India;

(g) a representative of any association of commerce or industry;

(h) such other Associate Members, as may be prescribed.

(4) The Member-Secretary shall be the Chief Co-ordinating Officer of the Commission and shall assist the Commission in the discharge of its functions under this Act.

(5) The headquarters of the Commission shall be at Delhi and the Commission may, with the previous approval of the Central Government, establish offices at other places in the National Capital Region or adjoining areas.

(6) Notwithstanding anything contained in any other law for the time being in force, and notwithstanding any judgment or order of any court, the Commission shall have exclusive jurisdiction in the National Capital Region and adjoining areas in respect of matters covered by this Act and no other body, authority, individual or committee shall have any power or jurisdiction in such matters:

Provided that in case of any conflict in the orders or directions of the Commission and the Governments of the National Capital Territory of Delhi and of the States of Punjab, Haryana, Rajasthan and Uttar Pradesh or the Central Pollution Control Board or the State Pollution Control Boards of the States of Punjab, Haryana, Rajasthan and Uttar Pradesh or the Pollution Control Committee of the National Capital Territory of Delhi or any other statutory authority set up or established under a State Act, the order as well as the direction of the Commission shall prevail.

4. (1) The full-time Chairperson and full-time Members, other than *ex officio* Members, of the Commission shall be appointed by the Central Government:

Provided that every appointment under this sub-section shall, subject to the provisions of second proviso, be made on the recommendations of a Selection Committee consisting of—

Appointment of Chairperson, Members and Member-Secretary.

(a) Minister in-charge of the Ministry of Environment, Forest and Climate Change in the Government of India—Chairperson;

(b) Minister in-charge of the Ministry of Commerce and Industry in the Government of India—member;

(c) Minister in-charge of the Ministry of Road Transport and Highways in the Government of India—member;

(d) Minister in-charge of the Ministry of Science and Technology in the Government of India—member;

(e) Cabinet Secretary— member:

Provided further that in case where the Central Government appoints a serving officer as the Chairperson under clause (a) of sub-section (2) of section 3, or the full-time Member under clause (d) thereof, then, no recommendation of the Selection Committee shall be required.

(2) No appointment of the Chairperson or a Member shall be invalid merely by reason of any vacancy of any member in the Selection Committee referred to in sub-section (1).

(3) The appointment of the Member-Secretary of the Commission shall be made by the Central Government in such manner, subject to such terms and conditions, as may be prescribed.

5. (1) The Chairperson or a Member, other than an *ex officio* Member, may, by notice in writing under his hand addressed to the Central Government, resign his office.

(2) The Central Government may remove the Chairperson or any Member, other than an *ex officio* Member, from his office, in such manner as may be prescribed, if such person—

(a) is adjudged an insolvent;

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

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

(d) has so abused his position as to render his continuance in office prejudicial to the public interest;

(e) has acquired such financial or other interest as is likely to affect prejudicially his functions; or

(f) is convicted and sentenced to imprisonment for an offence which in the opinion of the Central Government involves moral turpitude:

Provided that no such Member shall be so removed, unless he has been given an opportunity of being heard.

6. The Chairperson or a Member, other than an *ex officio* Member, shall hold office for a term of three years from the date on which he enters upon his office or until he attains the age of seventy years, whichever is earlier, and shall be eligible for re-appointment.

7. (1) In the event of the occurrence of any vacancy in the office of the Chairperson by reason of death, resignation or otherwise, the Central Government may, by notification, authorise one of the Members to act as the Chairperson until the appointment of a new Chairperson to fill such vacancy.

(2) When the Chairperson is unable to discharge his functions owing to absence on leave or otherwise, such one of the Members as the Central Government may, by notification, authorise in this behalf, shall discharge the functions of the Chairperson until the date on which the Chairperson resumes his duties.

Resignation
and removal
of
Chairperson
and Members.

Term of office
of Chairperson
and Members.

Member to act
as Chairperson
or to discharge
his functions
in certain
circumstances.

8. The salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and Members, other than *ex officio* Members, shall be such as may be prescribed:

Provided that neither the salary and allowances nor the other terms and conditions of service of the Chairperson or a Member shall be varied to his disadvantage after his appointment.

9. No act or proceedings of the Commission shall be invalidated merely on the ground of existence of any vacancy or defect in the constitution of the Commission.

10. (1) The Commission shall meet at such time and place as the Chairperson may think fit.

(2) Subject to the provisions of this Act and the rules made thereunder, the Commission shall have the power to lay down by regulations its own procedure.

(3) All orders and decisions of the Commission shall be authenticated by the Member-Secretary or any other officer of the Commission duly authorised by the Chairperson in this behalf.

(4) The Commission may, by general or special order, subject to such conditions and limitations, if any, as may be specified therein, delegate to the Chairperson, full-time Member, Member-Secretary or any Sub-Committee constituted under section 11, such of its powers under this Act (except the power to make regulations under section 25), as it may deem necessary or expedient for the purpose of protecting and improving the quality of the air in the National Capital Region and adjoining areas.

11. (1) The Commission shall have at least the following three Sub-Committees—

- (a) Sub-Committee on Monitoring and Identification;
- (b) Sub-Committee on Safeguarding and Enforcement;
- (c) Sub-Committee on Research and Development.

(2) The Sub-Committee on Monitoring and Identification shall be headed by a Member of the Commission chosen by it and shall have the following additional members, namely:—

- (a) one representative from the Central Pollution Control Board;
- (b) one representative each from the State Pollution Control Board or Committee, as the case may be, of the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;
- (c) one representative from the National Environmental Engineering Research Institute;
- (d) such other members as may be specified by regulations.

(3) The Sub-Committee on Safeguarding and Enforcement shall be headed by the full-time Chairperson of the Commission and shall have the following additional members, namely:—

- (a) one representative each, not below the rank of Secretary from the department tackling air pollution from the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;
- (b) one representative each from the State Pollution Control Board or Committee, as the case may be, from the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;
- (c) one officer not below the rank of Inspector General of Police or equivalent from the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;
- (d) such other members as may be specified by regulations.

Terms and conditions of service of Chairperson and Members.

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

Procedure to be regulated by Commission.

Sub-Committees and other staff of Commission.

(4) The Sub-Committee on Research and Development shall be headed by a full-time technical Member of the Commission and shall have the following additional Members, namely:—

(a) two technical representatives from the National Environmental Engineering Research Institute;

(b) one technical representative each from research institutions or Universities or colleges or organisations in the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh;

(c) two technical representatives from the field of medicine and research working or studying on the impact of air pollution on living beings;

(d) such other members as may be specified by regulations.

(5) The Commission may also constitute such other Sub-Committees as it thinks fit.

(6) The members of the Sub-Committees, other than *ex officio* members, shall be paid such allowances as may be prescribed.

(7) The Central Government, in consultation with the Commission, shall determine the nature and the categories of officers and other staff required to assist the Commission in the discharge of its function and provide the Commission with such officers and employees as it may deem fit.

(8) The officers and other staff of the Commission shall discharge their duties and functions under the general superintendence of the Chairperson.

(9) The salaries, allowances and conditions of service of the officers and other staff appointed under sub-section (7) shall be such as may be prescribed.

CHAPTER III

POWERS AND FUNCTIONS OF THE COMMISSION

Powers and functions of Commission.

12. (1) Notwithstanding anything contained in any other law for the time being in force, the Commission shall have the power to take all such measures, issue directions and entertain complaints, as it deems necessary or expedient, for the purpose of protecting and improving the quality of the air in the National Capital Region and adjoining areas and shall also have the duty to take all such measures as may become necessary for protecting and improving the quality of air in the National Capital Region and adjoining areas.

(2) In particular and without prejudice to the generality of sub-section (1), the Commission shall, for the purposes of sub-section (1), have the following powers to perform its duties, including taking measures to abate air pollution and to regulate or prohibit activities that are likely to cause or increase air pollution in the National Capital Region and adjoining areas, namely:—

(i) co-ordination of actions by the Governments of the National Capital Territory of Delhi and the States of Punjab, Haryana, Rajasthan and Uttar Pradesh, officers and other authorities under this Act or the rules made thereunder or under any other law for the time being in force, which is relatable to the objects of this Act;

(ii) planning and execution of a programme for the region for prevention, control and abatement of air pollution;

(iii) laying down parameters for the quality of air in its various aspects;

(iv) laying down parameters for emission or discharge of environmental pollutants from various sources whatsoever that have implications on air quality in the region:

Provided that different parameters for emission or discharge may be laid down under this clause from different sources having regard to the quality or composition

of the emission or discharge of environmental pollutants from such sources that have implications on air quality in the region;

(v) restriction of areas in which any industries, operations or processes or class of industries, operations or processes, that have implications on air quality in the region, shall not be carried out or shall be carried out subject to certain safeguards;

(vi) carrying out and requiring investigations and research relating to problems of environmental pollution that have implications on air quality in the region;

(vii) inspection of any premises, plant, equipment, machinery, manufacturing or other processes, materials or substances and giving, by order, of such directions to such authorities, officers or persons as it may consider necessary to take steps for the prevention, control and abatement of air pollution in the region;

(viii) collection and dissemination of information in respect of matters relating to air pollution in the region;

(ix) preparation of manuals or codes or guidelines relating to the prevention, control and abatement of air pollution in the region;

(x) appoint officers, with prior approval of the Central Government, with such designations, as it thinks fit, for the purposes of this Act and may entrust to them such of the powers and functions under this Act or for the purposes of achieving the objects of this Act, as it may deem fit;

(xi) issue directions in writing to any person, officer or any authority and such person, officer or authority shall be bound to comply with such directions.

Explanation.—For avoidance of doubts, it is hereby declared that the power to issue directions under this section includes the power to direct—

(a) the closure, prohibition or regulation of any industry, operation or process; or

(b) stoppage or regulation of the supply of electricity or water or any other service.

(3) (a) Subject to the provisions of this section, any person authorised by the Commission in this behalf shall have a right to enter, at all reasonable times, and with such assistance as he considers necessary, any place, for the purpose of—

(i) performing any of the functions of the Commission entrusted to him;

(ii) determining whether and if so, in what manner any such functions are to be performed or whether any provisions of this Act or the rules made thereunder or any notice, order, direction or authorisation served, made, given or granted under this Act is being or has been complied with;

(iii) examining and testing any equipment, industrial plant, record, register, document or any other material object or for conducting a search of any building in which he has reasons to believe that an offence under this Act or the rules made thereunder has been or is being or is about to be committed and for seizing any such equipment, industrial plant, record, register, document or other material object if he has reasons to believe that it may furnish evidence to the Commission of an offence punishable under this Act or the rules made thereunder or that such seizure is necessary to prevent or mitigate environmental pollution;

(b) every person carrying on any industry, operation or process or handling any hazardous substance shall be bound to render all assistance to the person empowered by the Commission under clause (a) for carrying out the functions under that clause and if he fails to do so without any reasonable cause or excuse, he shall be guilty of an offence under this Act;

(c) if any person wilfully delays or obstructs any person authorised by the Commission under clause (a) in the performance of his functions, he shall be guilty of an offence under this Act;

(d) the provisions of the Code of Criminal Procedure, 1973 shall apply to any search or seizure under this section as they apply to any search or seizure made under the authority of a warrant issued under section 94 of the said Code or, as the case may be, under the corresponding provisions of the said law.

2 of 1974.

(4) (a) The Commission or any officer authorised by it in this behalf, shall, for the purpose of analysis, have power to take samples of air from any factory, premises or other place in such manner as may be prescribed;

(b) the result of any analysis of a sample taken under clause (a) shall not be admissible in evidence in any legal proceeding unless the provisions of clauses (c) and (d) are complied with;

(c) subject to the provisions of clause (d), the person taking the sample under clause (a) shall,—

(i) serve on the occupier or his agent or person in-charge of the place, a notice, then and there, in such form as may be prescribed, of his intention to have it so analysed;

(ii) in the presence of the occupier or his agent or person, collect a sample for analysis;

(iii) cause the sample to be placed in a container or containers which shall be marked and sealed and shall also be signed both by the person taking the sample and the occupier or his agent or person;

(iv) send without delay, the container or the containers to the laboratory established or recognised by the Central Government;

(d) when a sample is taken for analysis under clause (a) and the person taking the sample serves on the occupier or his agent or person, a notice under sub-clause (i) of clause (c), then,—

(i) in a case where the occupier, his agent or person wilfully absents himself, the person taking the sample shall collect the sample for analysis to be placed in a container or containers which shall be marked and sealed and shall also be signed by the person taking the sample; and

(ii) in a case where the occupier or his agent or person present at the time of taking the sample refuses to sign the marked and sealed container or containers of the sample as required under sub-clause (iii) of clause (c), the marked and sealed container or containers shall be signed by the person taking the samples,

and the container or containers shall be sent without delay by the person taking the sample for analysis to the laboratory established or recognised by the Central Government and such person shall inform the Government Analyst appointed or recognised, about the wilful absence of the occupier or his agent or person, or, as the case may be, his refusal to sign the container or containers.

(5) In discharge of its functions and exercising of its authority, the Commission and the Sub-Committees mentioned in section 11 shall be bound by such general or specific directions of the Central Government, as may be issued from time to time.

(6) In particular and without prejudice to the generality of the foregoing provisions, the Commission shall perform all or any of the following functions, namely:—

(a) take up matters *suo motu*, or on the basis of complaints made by any individual, representative body or organisation functioning in the field of environment, against any individual, association, company, public undertaking or local body carrying on any industry, operation or process;

(b) provide the mechanism and the means to implement in the National Capital Region and adjoining areas—

(i) the National Clean Air Programme;

(ii) the National Air Quality Monitoring Programme;

(iii) the National Ambient Air Quality Standards;

(c) provide an effective framework and platform in the National Capital Region and adjoining areas for—

(i) source identification of air pollutants on a periodic basis;

(ii) taking on-ground steps for curbing air pollution;

(iii) specific research and development in the field of air pollution;

(iv) synergising the energies and efforts of all stakeholders in developing innovative ways to monitor, enforce and research on the issues concerning air pollution;

(v) building a network between technical institutions working or researching in the field of air pollution;

(vi) international co-operation including sharing of international best practices in the field of air pollution;

(vii) training and creating a special work-force for tackling the problem of air pollution;

(d) provide an effective frame work, action plan and take appropriate steps for—

(i) tackling the problem of stubble burning;

(ii) monitoring, assessing and inspecting air polluting agents;

(iii) increasing plantation;

(e) monitoring the measures taken by the States to prevent stubble burning;

(f) undertake and promote research in the field of air pollution;

(g) spread awareness regarding air pollution among various sections of society and promote awareness of the collective steps that the public may take through publications, the media, seminars and other available means;

(h) encourage the efforts of non-governmental organisations and institutions working in the field of air pollution;

(i) any other functions as have been entrusted to any *ad hoc* committee or commission or task force or body formed for the purpose of dealing with issues concerning air pollution, stubble burning or the monitoring of related factors, in pursuance of any judicial order passed from time to time;

(j) such other functions as it may consider necessary for the prevention of air pollution in the National Capital Region and adjoining areas.

Annual report.

13. (1) The Commission shall furnish to the Central Government an annual report containing such details of the steps taken, proposals made, researches awaited and other measures undertaken by it in pursuance of its functions under section 12, in such form and manner as may be specified by regulations.

(2) The Central Government shall cause the annual report furnished under sub-section (1) to be laid before each House of Parliament.

Penalty for
contravention
of provisions
of Act, rules,
order or
direction.

14. (1) Any non-compliance or contravention of any provisions of this Act, rules made thereunder or any order or direction issued by the Commission, shall be an offence punishable with imprisonment for a term which may extend up to five years or with fine which may extend up to one crore rupees or with both:

Provided that the provisions of this section shall not apply to any farmer for causing air pollution by stubble burning or mismanagement of agricultural residue.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the offence under this Act shall be non-cognizable and triable by the Jurisdictional Judicial Magistrate of the First Class, who shall not take cognizance of the offence except upon a complaint made by the Commission or any officer authorised by the Commission in this behalf.

2 of 1974.

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

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

(4) Notwithstanding anything contained in sub-section (3), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of sub-sections (3) and (4),—

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

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

(5) Where an offence under this Act has been committed by any Department of the Government, the Head of the Department shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

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

(6) Notwithstanding anything contained in sub-section (5), where an offence under this Act has been committed by a Department of Government and it is proved that the

offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any officer, other than the Head of the Department, such officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

(7) For the purpose of this section and the procedure to be followed thereunder, the 2 of 1974. provisions of the Code of Criminal Procedure, 1973, shall apply.

15. The Commission may impose and collect environmental compensation from farmers causing air pollution by stubble burning, at such rate and in such manner, as may be prescribed. Environmental compensation.

CHAPTER IV

FINANCE, ACCOUNTS AND AUDIT

16. (1) The Central Government shall, after due appropriation made by Parliament by law in this behalf, pay to the Commission by way of grants such sums of money as the Central Government may think fit for being utilised for the purposes of this Act. Grants by Central Government.

(2) The Commission may spend such sums as it thinks fit for performing the functions under this Act, and such sums shall be treated as expenditure payable out of the grants referred to in sub-section (1).

17. (1) The Commission shall maintain proper accounts and other relevant records and prepare an annual statement of accounts 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 Commission shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified by him and any expenditure incurred in connection with such audit shall be payable by the Commission 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 Commission under this Act shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General of India generally has in connection with the audit of 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 any of the offices of the Commission.

(4) The accounts of the Commission, 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 by the Commission and the Central Government shall cause the audit report to be laid, as soon as may be after it is received, before each House of Parliament.

CHAPTER V

MISCELLANEOUS

18. An appeal shall lie to the National Green Tribunal constituted under the National Green Tribunal Act, 2010 against any order, direction or action taken by or on behalf of the Commission constituted under section 3. Appeal.

Constitution of special investigation teams.

Power of Central Government to issue direction.

Power of Central Government to call for information.

Bar of jurisdiction.

Protection of action taken in good faith.

Members and officers to be public servants.

Power of Central Government to make rules.

19. Notwithstanding anything contained in any other law for the time being in force, or any judicial order by any Court, where the Commission considers it necessary so to do, it may constitute one or more special investigation teams, consisting of such officers or such persons, as it thinks necessary, for the purposes of carrying out its functions under this Act.

20. Notwithstanding anything contained in any other law for the time being in force, but subject to the provision of this Act, the Central Government may issue in writing such direction, as it deems fit, to the Commission or any person, officer or authority authorised by the Commission, and the Commission, person, or authority, as the case may be, shall be bound to comply with such direction.

21. The Central Government may, from time to time, call for such information and reports from the Commission, as it deems fit and the Commission shall be bound to provide such information and report.

22. No civil court shall have jurisdiction to entertain any suit, proceeding or dispute pertaining to or arising out of the actions taken or directions issued by the Commission in respect of any matter which the Commission is empowered by or under this Act.

23. No suit or other legal proceeding shall lie against the Central Government, the Commission, or any Member thereof, or any person acting under the direction of either the Central Government or the Commission in respect of anything which is in good faith done or intended to be done in pursuance of this Act or of any rules or any order made thereunder.

24. Every Member of the Commission and every officer appointed or authorised by the Commission to exercise functions under this Act shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

25. (1) The Central Government may, by notification, make rules to carry out the provisions of this Act.

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

(a) the other Associate Members under clause (h) of sub-section (3) of section 3;

(b) the manner of removal of Chairperson or a Member under sub-section (2) of section 5;

(c) the salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and Members under sub-section (1) of section 8;

(d) the allowance payable to the members, other than *ex officio* members of the Sub-Committees, under sub-section (6) of section 11;

(e) the appointment of officers and other staff under sub-section (7) of section 11;

(f) the salaries, allowances and conditions of service of the officers and other staff under sub-section (9) of section 11;

(g) the manner of taking samples under clause (a) and the form of notice under sub-clause (i) of clause (c), of sub-section (4) of section 12;

(h) the rate at which, and the manner in which, the Environmental Compensation shall be imposed and collected under section 15;

(i) the form in which annual statement of accounts shall be prepared under sub-section (1) of section 17;

(j) any other matter which has 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.

26. (1) Subject to the provisions of this Act and the rules made thereunder, the Commission may, with the previous approval of the Central Government, by notification, make regulations to carry out the provisions of this Act.

Power of Commission to make regulations.

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

(a) the procedure to be followed by the Commission under sub-section (2) of section 10;

(b) the conditions and limitations subject to which power may be delegated by the Commission under sub-section (4) of section 10;

(c) the members of each Sub-Committee under sub-sections (2), (3) and (4) of section 11;

(d) the form and the manner of furnishing annual report under section 13;

(e) any other matter which has to be, or may be, specified by regulations.

(3) Every regulation made by the Commission 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 or the successive sessions aforesaid, both Houses agree in making any modification in the regulation or both Houses agree that the regulation should not be made, the regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that regulation.

27. (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 appear to it to be necessary or expedient for removing the difficulty.

Power to remove difficulties.

Provided that no order shall be made under this section after the expiry of a period of two years from the commencement of this Act.

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

Act to have overriding effect.

28. (1) The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force, any document, judgment, order, bye-law, rule, regulation, notification having the force of law in the territory of India.

(2) Notwithstanding anything contained in any other law for the time being in force or any judgment or any order of any Court and subject to the provisions of this Act, upon the notification of the constitution of the Commission under section 3, no other individual or body or authority constituted either under a law enacted by Parliament, or by a State, or appointed or nominated in terms of any judicial order, shall act upon or have jurisdiction in relation to the matters covered by this Act.

Repeal and savings of order constituting Environment Pollution (Prevention and Control) Authority for National Capital Region.

29 of 1986.

29. (1) The Order made under section 3 of the Environment (Protection) Act, 1986 constituting the Environment Pollution (Prevention and Control) Authority for the National Capital Region *vide* notification number S.O.93(E), dated the 29th January, 1998 is hereby repealed and the Environment Pollution (Prevention and Control) Authority for the National Capital Region is hereby dissolved.

(2) Notwithstanding such repeal, anything done or any action taken by the Environment Pollution (Prevention and Control) Authority for the National Capital Region under the said Order, shall be deemed to have been done or taken under the corresponding provisions of this Act.

Savings.

Ord. 13 of 2020.

30. Notwithstanding the cessation of the Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2020, anything done or any action taken under the Ordinance so ceased, shall be deemed to have been done or taken under the corresponding provisions of this Act.

Repeal and savings.

Ord. 4 of 2021.

31. (1) The Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2021 is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2021 shall be deemed to have been done or taken under the corresponding provisions of this Act.

Ord. 4 of 2021.

STATEMENT OF OBJECTS AND REASONS

India is committed to create a clean environment and pollution free air as mandated in the Constitution of India. The committee appointed under the Environment (Protection) Act, 1986 has taken measures to deal with the menace of air pollution, particularly in the National Capital Region. By orders passed from time to time, the courts have also set up *ad hoc* committees to aid and assist the monitoring and implementation of its orders and generally to take steps to deal with air pollution. Even then, quality of air in the air shed of the National Capital Region and in the adjoining areas remains a major cause of concern.

2. There is a need to evolve and implement a consolidated approach for monitoring, tackling and eliminating the causes for air pollution and identifying, specifying and rigorously enforcing measures for elimination and mitigation of air pollution, including but not limited to, controlling or eliminating the activities of stubble burning, vehicular pollution, industrial emissions, road dust, biomass burning and urban construction. It is now considered necessary to have a statutory authority with appropriate powers, and charged with the duty of taking comprehensive measures to tackle air pollution on a war footing, with power to coordinate with concerned States and the Central Government and issue directions to statutory authorities established under various laws.

3. The commitments and obligations to environmental conservation and protection within the ambit of the targeted goals on environmental sustainability under the Sustainable Development Goals, particularly towards the issue of air pollution, is manifested in the Air (Prevention and Control of Pollution) Act, 1981, which was enacted under article 253 of the Constitution and more recently in the National Clean Air Programme. It is noticed that there is lack of a permanent, dedicated and participative mechanism adopting a collaborative and participatory approach involving relevant Central Ministries, State Governments, local bodies and other stakeholders to tackle air pollution, in the National Capital Region and Adjoining Areas.

4. It is observed that sources of air pollution particularly in the National Capital Region consist of a variety of factors which are beyond the local limits of the National Capital Region. Special focus is required on all sources of air pollution which are associated with different economic sectors, including power, agriculture, transport, industry, residential and construction. Since air pollution is not a localised phenomenon, the effect is felt in areas even far away from the source, thus creating the need for regional-level initiatives through inter-State and inter-city coordination in addition to multi-sectorial synchronization.

5. Due to the absence of an inter-sectorial, public participative, multi-State dynamic body, the Hon'ble Supreme Court had to devote its precious time in constituting various *ad hoc* or permanent committees at various stages to oversee the problem of air pollution in the National Capital Region and suggest mitigation measures and has been monitoring, supervising and guiding the problem of air pollution in the National Capital Region through the continuing mandamus in the case of *M.C. Mehta vs. Union of India and Others*, W.P. (C) No.13029/1985. Though in compliance of the directions of the Hon'ble Supreme Court, the Central Government had constituted the Environment Pollution (Prevention and Control) Authority for the National Capital Region with effect from 29th January, 1998 *vide* notification number S.O.93(E), dated 29th January, 1998, the powers and functions of said Authority were limited to section 5 of the Environment Protection Act, 1986 and to the State of Delhi without any collaboration with other nearby States thereby limiting its efficacy.

6. Noting the lack of inter-State co-operation, the Hon'ble Supreme Court had, on multiple occasions, directed the presence of Chief Secretaries of the four States in question, namely, Punjab, Haryana, Delhi and Uttar Pradesh to ensure inter-State co-operation. Due to lack of an oversight mechanism over the joint functioning of the States on issues concerning air pollution, and specifically stubble burning, the Hon'ble Supreme Court in *Aditya Dubey (minor) and Another vs. Union of India and Others*, W.P(C) No. 1135/2020, had further appointed a one-man Monitoring Committee to monitor the measures taken by

the States to prevent stubble burning. The Hon'ble Supreme Court has, on numerous occasions sought to improve and propose innovative measures and research initiatives to resolve the problem of air pollution.

7. In order to provide a permanent solution and establish a self-regulated, democratically monitored mechanism for tackling air pollution in National Capital Region and adjoining areas, rather than limited and *ad hoc* measures, it was deemed necessary to take up immediate legislative measures to set up a Commission for Air Quality Management in National Capital Region and Adjoining Areas, which would replace the above-mentioned Committees in order to streamline the public participation, the inter-State co-operation, the expert involvement and persistent research and innovation.

8. As Parliament was not in session and there was an immediate need for legislation in this regard, the Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2020 (Ord.13 of 2020) was promulgated by the President of India on the 28th October, 2020, but a Bill to replace the said Ordinance could not be introduced in Parliament, consequently, the Ordinance got lapsed on the 12th March, 2021. Thereafter, the Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2021 (Ord. 4 of 2021) was promulgated by the President of India on the 13th April, 2021 under clause (1) of article 123 of the Constitution.

9. The Commission for Air Quality Management in National Capital Region and Adjoining Areas Bill, 2021, which seeks to replace the Commission for Air Quality Management in National Capital Region and Adjoining Areas Ordinance, 2021 (Ord. 4 of 2021), provides for—

- (a) the constitution of the Commission for Air Quality Management in National Capital Region and Adjoining Areas;
- (b) three Sub-Committees to assist the Commission, *viz.*, Sub-Committee on Monitoring and Identification; Sub-Committee on Safeguarding and Enforcement; and Sub-Committee on Research and Development;
- (c) the powers and functions of the Commission;
- (d) the penalty for contravention of provisions of Act, rules, order or direction;
- (e) the imposition of Environmental Compensation by the Commission for causing air pollution by stubble burning.

10. The Bill seeks to replace the aforesaid Ordinance.

NEW DELHI;

BHUPENDER YADAV.

The 22nd July, 2021.

FINANCIAL MEMORANDUM

Sub-clause (1) of clause 3 of the Bill provides for constitution of the Commission for Air Quality Management in National Capital Region and Adjoining Areas to exercise the powers and perform the functions assigned to it. Sub-clause (1) of clause 4 provides for appointment of a full-time Chairperson and Members. Sub-clause (3) thereof provides for appointment of a Member-Secretary. Clause 8 provides for payment of salaries and allowances to the Chairperson and Members of the Commission, other than *ex officio* members.

2. Clause 11 of the Bill makes a provision for constitution of Sub-Committees of the Commission. Sub-clause (6) thereof provides for payment of allowances to the members of the Sub-Committees other than *ex officio* members. Sub-clause (7) of said clause empowers the Central Government to determine and provide officers and other staff required to assist the Commission. Sub-clause (9) of said clause provides for payment of salaries and allowances to the officers and other staff of the Commission.

3. Sub-clause (1) of clause 16 of the Bill provides for payment of grants to the Commission, after due appropriation made by Parliament by law in this behalf, as the Central Government deems fit. Sub-clause (2) thereof provides that the Commission may spend such sums as it thinks fit for performing its functions under the Act.

4. The expenditure would be met from the Consolidated Fund of India through the budgetary provisions made in this behalf. The recurring expenditure of the Commission is estimated to be rupees eighteen crores and the non-recurring expenditure is estimated to be rupees five crores.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 25 of the Bill empowers the Central Government to make rules, *inter alia*, in respect of matters relating to—(a) the other Associate Members who may be co-opted; (b) the manner of removal of Chairperson or a Member; (c) the salaries and allowances payable to, and the other terms and conditions of service of, the Chairperson and Members; (d) the allowance payable to the members, other than *ex officio* members, of the Sub-Committees; (e) the appointment of officers and other staff, and the salaries, allowances payable to, and the conditions of service of such officers and other staff of the Commission; (f) the manner of taking samples for analysis and the form in which notice for taking the sample may be served; (g) the rate at which, and the manner in which, the Environmental Compensation shall be imposed and collected; (h) the form in which annual statement of accounts shall be prepared.

2. Clause 26 of the Bill empowers the Commission to make regulations with the previous approval of the Central Government, *inter alia*, in respect of matters relating to—(a) the procedure to be followed by the Commission; (b) the conditions and limitations subject to which power may be delegated by the Commission; (c) the other members of each Sub-Committee; (d) the form and manner in which annual report shall be furnished by the Commission.

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

BILL NO. 115 OF 2021

A Bill further to amend the General Insurance Business (Nationalisation) Act, 1972.

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

1. (1) This Act may be called the General Insurance Business (Nationalisation) Amendment Act, 2021. 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 3. **2. In section 3 of the General Insurance Business (Nationalisation) Act, 1972 (hereinafter referred to as the principal Act),—** 57 of 1972.

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

'(ba) "board of directors" or "board", in relation to a specified insurer, shall have the same meaning as assigned to it in clause (10) of section 2 of the Companies Act, 2013;'; 18 of 2013.

(ii) in clause (c), for the words and figures "the Companies Act, 1956", the words and figures "the Companies Act, 2013" shall be substituted; 1 of 1956.
18 of 2013.

(iii) for clause (g), the following clause shall be substituted, namely:—

'(g) "general insurance business" shall have the same meaning as assigned to it in the Insurance Act, 1938;'; 4 of 1938.

(iv) in clause (h), for the word and figures "section 617", the words, brackets and figures "clause (45) of section 2" shall be substituted;

(v) after clause (o), the following clause shall be inserted, namely:—

'(oa) "specified insurer" means the Corporation as defined in clause (d) or any of the insurance companies specified in section 10A;'. 1 of 1956.
18 of 2013.

Amendment of section 9. **3. In section 9 of the principal Act, for the words and figures "the Companies Act, 1956", the words and figures "the Companies Act, 2013" shall be substituted.**

Amendment of section 10B. **4. In section 10B of the principal Act, the proviso shall be omitted.**

Insertion of new section 24B. **5. After section 24A of the principal Act, the following section shall be inserted, namely:—**

'24B.(1) On and from the date on which the Central Government ceases to control any specified insurer, after the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2021, the provisions of this Act shall cease to apply in respect of that specified insurer.

(2) Notwithstanding anything contained in sub-section (1), on the date of cessation of applicability referred to in sub-section (1),—

(a) any scheme framed by the Central Government under sub-section (1) of section 17A in respect of the specified insurer referred to in sub-section (1) shall be deemed to have been adopted by the board of directors of such specified insurer:

Provided that the board of directors may make such additions, amendments or variations thereto, or frame new policy in place of such scheme, as it may deem appropriate;

(b) without prejudice to the generality of the power of the board of directors of the specified insurer under clause (a), all powers exercisable by the Central Government under a scheme framed by it in sub-section (1) of section 17A shall be exercisable by that board of directors.

Explanation 1.—For the purposes of this section, the expression "control" means the right of the Central Government, in relation to a specified insurer,—

(i) to appoint a majority of its directors; or

(ii) to have power over its management or policy decisions,

by virtue of its shareholding rights or management rights under its articles of association or shareholders agreements or voting agreements or any other agreements executed with the specified insurer or any other person in relation to the specified insurer.

Explanation 2.—For the removal of doubts, it is hereby clarified that—

- (i) the provisions of this section shall also apply to any rule, scheme, direction or notification made under this Act before the cessation of applicability;
- (ii) the cessation of applicability shall not revive anything that was not already in force or in existence under this Act or affect anything previously done or suffered under this Act;
- (iii) the board of directors of the specified insurer shall exercise the powers referred to in sub-section (2), subject to any requirement under any law for the time being in force.'

6. After section 31 of the principal Act, the following section shall be inserted, namely:—

'31A. A director of a specified insurer who is not its whole-time director shall be held liable only in respect of such acts of omission or commission of the specified insurer which had been committed with his knowledge, attributable through board processes, and with his consent or connivance or where he had not acted diligently.

Explanation.—For the purposes of this section, the reference to "board" shall include committees of the board.'

Insertion of
new section
31A.

Liability of
director of
specified
insurer.

STATEMENT OF OBJECTS AND REASONS

The General Insurance Business (Nationalisation) Act, 1972 (the Act) was enacted with a view to provide for the acquisition and transfer of shares of Indian insurance companies and undertakings of other existing insurers in order to serve better the need of the economy by securing the development of general insurance business in the best interests of the community and to ensure that the operation of the economic system does not result in the concentration of wealth to the common detriment, for the regulation and control of such business and for matters connected therewith or incidental thereto.

2. Subsequently, the Act was amended in 2002 with a view to provide for the transfer and vesting of the shares of the acquiring companies back to the Central Government and for the shareholding of the Central Government in the General Insurance Corporation of India and the insurers referred to in section 10A (specified insurers) shall not be less than fifty-one per cent.

3. With a view to provide for greater private participation in the public sector insurance companies and to enhance insurance penetration and social protection and better secure the interests of policyholders and contribute to faster growth of the economy, it has become necessary to amend certain provisions of the Act, in the form of a Bill, namely, the General Insurance Business (Nationalisation) Amendment Bill, 2021.

4. The General Insurance Business (Nationalisation) Amendment Bill, 2021, *inter alia*, provides for the following, namely:—

(i) to omit the proviso to section 10B of the Act so as to remove the requirement that the Central Government holds not less than fifty-one per cent. of the equity capital in a specified insurer;

(ii) to insert a new section 24B providing for cessation of application of the Act to such specified insurer on and from the date on which the Central Government ceases to have control over it; and

(iii) to insert a new section 31A providing for liability of a director of specified insurer, who is not a whole-time director, in respect of such acts of omission or commission of the specified insurer which has been committed with his knowledge and with his consent.

5. The Bill seeks to achieve the above objectives.

NEW DELHI;
The 28th July, 2021.

NIRMALA SITHARAMAN.

ANNEXURE

EXTRACTS FROM THE GENERAL INSURANCE BUSINESS
(NATIONALISATION) ACT, 1972

(57 OF 1972)

* * * * *

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

* * * * *

1 of 1956. (c) "Companies Act" means the Companies Act, 1956;

* * * * *

(g) "general insurance business" means fire, marine or miscellaneous insurance business, whether carried on singly or in combination with one or more of them, but does not include capital redemption business and annuity certain business;

(h) "Government company" means a Government company as defined in section 617 of the Companies Act;

* * * * *

CHAPTER III

GENERAL INSURANCE CORPORATION OF INDIA

9. (1) As soon as may be after the commencement of this Act, the Central Government shall form a Government company in accordance with the provisions of the Companies Act, to be known as the General Insurance Corporation of India for the purpose of superintending, controlling and carrying on the business of general insurance:

Formation of
General
Insurance
Corporation
of India.

40 of 2002. Provided that on and from the commencement of the General Insurance Business (Nationalisation) Amendment Act, 2002, the provisions of this sub-section shall have effect as if for the words "superintending, controlling and carrying on the business of general insurance", the words "carrying on re-insurance business" had been substituted.

* * * * *

1 of 1956. (3) Notwithstanding anything contained in the Companies Act, 1956, it shall not be necessary to add the word "Limited" as the last word of the name of the Corporation.

* * * * *

10B. The General Insurance Corporation and the insurance companies specified in section 10A may, raise their capital for increasing their business in rural and social sectors, to meet solvency margin and such other purposes, as the Central Government may empower in this behalf:

Enhancement
of equity
capital of
General
Insurance
Companies.

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

* * * * *

UTPAL KUMAR SINGH
Secretary General.