

Bill No. 52 of 2014

THE TELECOM REGULATORY AUTHORITY OF INDIA
(AMENDMENT) BILL, 2014

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further to amend the Telecom Regulatory Authority of India Act, 1997.

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

1. (1) This Act may be called the Telecom Regulatory Authority of India (Amendment) Act, 2014.

Short title
and com-
mencement.

(2) It shall be deemed to have come into force on the 28th day of May, 2014.

24 of 1997. 5 **2.** In the Telecom Regulatory Authority of India Act, 1997 (hereinafter referred to as the principal Act), in section 5,—

Amendment
of section 5.

(i) for sub-section (8), the following sub-section shall be substituted, namely:—

10 “(8) The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept—

(a) any employment either under the Central Government or under any State Government; or

(b) any appointment in any company in the business of telecommunication services.”;

(ii) the *Explanation* at the end shall be omitted.

Repeal and saving.

3. (1) The Telecom Regulatory Authority of India (Amendment) Ordinance, 2014, is hereby repealed. Ord. 3 of 2014. 5

(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 corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Sub-section (8) of section 5 of the Telecom Regulatory Authority of India Act, 1997 places certain restrictions on employment of persons who have served as Chairperson or Members of the Telecom Regulatory Authority of India after demitting office. A person who has served as Chairperson or Member in the Telecom Regulatory Authority of India is ineligible for employment in the Central Government or any State Government. But under the provisions of the Insurance Regulatory and Development Authority Act, 1999, the Pension Fund Regulatory and Development Authority Act, 2013 and the Airports Economic Regulatory Authority of India Act, 2008, the Chairperson or Members of the Insurance Regulatory and Development Authority, the Pension Fund Regulatory and Development Authority and the Airports Economic Regulatory Authority respectively, are eligible for employment in the Central Government or any State Government after demitting office as Chairperson or Member, after a gap of two years. Under the provisions of the Competition Act, 2002, there is no restriction on employment in the Central Government or any State Government after demitting charge. Likewise under the provisions of the Electricity Act, 2003, the restrictions on employment of persons who have served as Chairperson or Members of the Central Electricity Regulatory Commission, are less limiting than those imposed upon persons who have served as Chairperson or Members of the Telecom Regulatory Authority of India.

2. In view of the above, a need was felt that the provisions in the Telecom Regulatory Authority of India Act may be harmonised with similar provisions applicable to other regulators in economic sectors. Accordingly, it was proposed that the restriction on further employment of a person who has served as Chairperson or Member of the Telecom Regulatory Authority of India, in the Central Government or any State Government or any appointment in any company in the business of telecommunication services shall be limited to a period of two years from the date of demitting office. Prior approval of the Central Government is provided in case such employment is proposed before the completion of two years.

3. In order to overcome the above difficulties, a need was felt to suitably amend the provisions of sub-section (8) of section 5 of the aforesaid Act. As both Houses of Parliament were not in session and immediate action was required to be taken, the President was satisfied that the circumstances existed which rendered it necessary for him to take immediate action to amend the said Act, the President promulgated the Telecom Regulatory Authority of India (Amendment) Ordinance, 2014 on the 28th May, 2014.

4. The Bill seeks to replace the aforesaid Ordinance.

RAVI SHANKAR PRASAD

NEW DELHI;
The 3rd July, 2014.

ANNEXURE

EXTRACT FROM THE TELECOM REGULATORY AUTHORITY OF INDIA ACT, 1997

(24 OF 1997)

* * * * *

Term of office, conditions of service, etc., of Chairperson and other members.

5. (1) * * * * *

(8) The Chairperson or any whole-time member ceasing to hold office as such, shall—

(a) be ineligible for further employment under the Central Government or any State Government; or

(b) not accept any commercial employment, for a period of one year from the date he ceases to hold such office:

Provided that nothing contained in this sub-section shall apply to the Chairperson or a member who has ceased to hold office under sub-section (3) and such Chairperson or member shall be eligible for reappointment in the Authority or appointment in the Appellate Tribunal.

(9) A vacancy caused to the office of the Chairperson or any other member shall be filled up within a period of three months from the date on which such vacancy occurs.

Explanation.—For the purposes of this section, “commercial employment” means employment in any capacity under, or agency of, a person engaged in trading, commercial, industrial or financial business in any field and includes also a director of a company or partner of a firm and it also includes setting up practice either independently or as partner of a firm or as an adviser or a consultant.

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further to amend the Telecom Regulatory Authority of
India Act, 1997.

*(Shri Ravi Shankar Prasad, Minister of Communications and
Information Technology)*