SECURITIES APPELLATE TRIBUNAL (SALARIES, ALLOWANCES AND OTHER TERMS AND CONDITIONS OF PRESIDING OFFICER AND OTHER MEMBERS) RULES, 2003

*In exercise of the powers conferred by section 15L, read with section 15M and clause (*f*) of sub-section (2) of section 29 of the Securities and Exchange Board of India Act, 1992 and in supersession of the Securities Appellate Tribunal (Salaries and Allowances and Other Conditions of Service of the Presiding Officer) Rules, 1997, the Central Government hereby makes the following rules, namely:—*

Short title and commencement

1. (1) These rules may be called the Securities Appellate Tribunal (Salaries, Allowances and other Terms and Conditions of Presiding Officer and other Members) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.

Definitions

2. In these rules, unless the context otherwise requires,—

(*a*) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(*b*) "Presiding Officer" means a person appointed as Presiding Officer of the Securities Appellate Tribunal under section 15L of the Act;

(*c*) "Member" means a person appointed as Member of the Securities Appellate Tribunal under section 15L of the Act;

[1] **[** (*d*) *all other words and expressions used and not defined in these rules, but defined in the Act or in the Insurance Act, 1938 (4 of 1938) or the Insurance Regulatory Development Authority Act, 1999 (41 of 1999) or the Pension Fund Regulatory and Development Authority Act, 2013 (23 of 2013), shall have the meanings respectively assigned to them in those Acts*.**]**

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1. Clause (*d*) substituted by the Securities Appellate Tribunal (Salaries, Allowances and other Terms and Conditions of Presiding Officer and other Members) Amendment Rules, 2015, w.e.f. **7-9-2015**. Prior to its substitution, said clause read as under :

"(*d*) All other words and expressions used and not defined in these rules but defined in the Act shall have the meanings respectively assigned to them in the Act."

Terms and Conditions of Service of Presiding Officer and Members

3. The Presiding Officer of the Securities Appellate Tribunal shall be appointed by the Central Government on the recommendation of Selection Committee to be constituted in consultation with the Chief Justice of India.

The Members of the Securities Appellate Tribunal shall be appointed by the Central Government on the recommendation of a Selection Committee comprising of :

(*i*) Governor, Reserve Bank of India or his nominee

(*ii*) Finance Secretary/Secretary, Department of Economic Affairs

(*iii*) Presiding Officer, Securities Appellate Tribunal

The Selection Committee shall satisfy itself that the person recommended for Presiding Officer or Member, Securities Appellate Tribunal meets the requirement as prescribed in the Act, or the Rules and does not have any financial or other interest which is likely to affect prejudicially his functions as the Presiding Officer or a Member.

The Government shall have the right to return the name/panel for reconsideration by the Committee and for submission of a fresh name/panel.

No appointment of the Presiding Officer or Member shall be invalid merely by reason of any vacancy or any defect in the constitution of the Selection Committee.

[1][**Salary.**

4. (1) The Presiding Officer of the Securities Appellate Tribunal shall be paid such salary as admissible to a serving Judge of Supreme Court or the Chief Justice of a High Court or Judge of a High Court, as the case may be.

(2) A Member of the Securities Appellate Tribunal shall be paid such salary as admissible to a Secretary to the Government of India :

Provided that if the Presiding Officer or a Member is in receipt of any retirement benefit by way of pension, gratuity, employer's contribution to Contributory Fund etc., the pay of such Presiding Officer/Member shall be reduced by the gross amount of pension or employer's contribution to the Contributory Provident Fund or any other form of retirement benefit, if any, drawn or to be drawn by him.

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1. Substituted by the Securities Appellate Tribunal (Salaries, Allowance and other Terms and Conditions of the Presiding Officer and other Members) Amendment Rules, 2013, w.e.f. 12-6-2013. Prior to their substitution, rules 4 to 6 read as under :

"4. *Salary*—The Presiding Officer of Securities Appellate Tribunal shall be paid such salary as admissible to a serving Judge of Supreme Court or the Chief Justice of a High Court.

A Member of Securities Appellate Tribunal shall be paid such salary as admissible to a Secretary to the Government of India :

Provided that if the Presiding Officer or a Member is in receipt of any retirement benefit by way of pension, gratuity, employer's contribution to Contributory Provident Fund, etc., the pay of such Presiding Officer/Member shall be reduced by the gross amount of pension or employer's contribution to the Contributory Provident Fund or any other form of retirement benefit, if any, drawn or to be drawn by him.

5. *Pension and Provident Fund*—In case a serving Supreme Court Judge or Chief Justice of a High Court is holding the post of Presiding Officer, Securities Appellate Tribunal and an officer of Central Government or State Government or any other pensionable service is holding the post of Member, the service rendered by Supreme Court Judge or Chief Justice of a High Court or an Officer of the Central Government as the case may be in Securities Appellate Tribunal will count for pension to be drawn by him in accordance with the rules of the service to which he belongs. He shall also be governed by the provisions of the General Provident Fund (Central Services) Rules, 1960. In all other cases, a person shall be entitled to Contributory Provident Fund.

6. *Travelling Allowance*—The Presiding Officer, Securities Appellate Tribunal while on tour or on transfer (including the journey undertaken to join Securities Appellate Tribunal or on the expiry of his term with the Securities Appellate Tribunal to proceed to his home town) shall be entitled to travelling allowance, daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rates as are applicable to Supreme Court Judge/Chief Justice of High Courts. The Members of Securities Appellate Tribunal, while on tour or on transfer (including the journey undertaken to join Securities Appellate Tribunal or on the expiry of his term with the Securities Appellate Tribunal to proceed to his home town) shall be entitled to travelling allowance,

daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rates as are applicable to Group 'A' Officers of the Central Government or State Government drawing an equivalent pay."

Pension and Provident Fund.

5. (1) In case of a serving Supreme Court Judge or Chief Justice of a High Court or Judge of a High Court is holding the post of Presiding Officer, Securities Appellate Tribunal and an Officer of the Central or State Government or any other pensionable service is holding the post of Member, the service rendered by Supreme Court Judge or Chief Justice of a High Court or Judge of a High Court or an Officer of the Central or State Government, as the case may be, in the Securities Appellate Tribunal shall be counted for pension to be drawn by him in accordance with the rules of the service to which he belongs.

(2) The Presiding Officer and Members of the Securities Appellate Tribunal shall be governed by the provisions of the General Provident Fund (Central Services) Rules, 1960 and in all other cases, a person shall be entitled to Contributory Provident Fund.

Travelling Allowance.

6. (1) The Presiding Officer, Securities Appellate Tribunal while on tour or on transfer (including the journey undertaken to join the Securities Appellate Tribunal or on the expiry of his term with the Securities Appellate Tribunal to proceed to his home town) shall be entitled to travelling allowance, daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rates as are applicable to Supreme Court Judge or Chief Justice of a High Court or Judge of a High Court, as the case may be.

(2) The Members, Securities Appellate Tribunal while on tour or on transfer (including the journey undertaken to join the Securities Appellate Tribunal or on the expiry of his term with the Securities Appellate Tribunal to proceed to his home town) shall be entitled to travelling allowance, daily allowances, transportation of personal effects and other similar matters at the same scale and at the same rates as are applicable to Group 'A' officers of the Central or State Government drawing an equivalent pay.]

Leave Travel Concession

7. The Presiding Officer of Securities Appellate Tribunal shall be entitled to Leave Travel Concession at the same rates and at the same scale as are applicable to the Judge of the Supreme Court or a High Court in the State in which the Tribunal is located. Member, Securities Appellate Tribunal shall be entitled to leave travel concession at the same rates and at the same scale as are applicable to 'Group A' officers of the Central Government/State Government drawing equivalent pay.

[2][**Facility of Conveyance.**

8. The Presiding Officer and Members of the Securities Appellate Tribunal shall be entitled to staff car and 200 litres of petrol every month or actual consumption of petrol per month, whichever is less.]

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2. Substituted by the Securities Appellate Tribunal (Salaries, Allowances and other Terms and Conditions of Presiding Officer and Other Members) Amendment Rules, 2014, w.e.f. 24-10-2014. Prior to its substitution, rule 8 read as under :

"8. *Facility of Conveyance.*—The Presiding Officer or Member of Securities Appellate Tribunal

shall be entitled to staff car and 150 litres of petrol every month or actual consumption of petrol per month, whichever is less."

Facilities of Medical Treatment

9. The Presiding Officer or Member of Securities Appellate Tribunal shall be entitled to medical treatment and hospital facilities as provided in the Contributory Health Services Rules, 1954 and in places where Central Health Services Scheme is not in operation, the said Presiding Officer shall be entitled to the facilities as provided in the Central Services Medical Attendance Rules, 1944.

Disclosure of beneficial interest

10. Presiding Officer and Member of Securities Appellate Tribunal shall disclose their interest including of their close relatives in matters relating to [1]**[***pensions or commodity derivatives or insurance or***]** securities or market intermediaries or entities, coming up for decision before them, and not to participate in the decision making in those cases.

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1. Inserted by the Securities Appellate Tribunal (Salaries, Allowances and other Terms and Conditions of Presiding Officer and other Members) Amendment Rules, 2015, w.e.f. **7-9-2015**.

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Severance of ties entailing potential conflict of interest

11. A person holding the post of Presiding Officer or Member of Securities Appellate Tribunal shall not be eligible to take up any employment with any company, market intermediary, institution agency or any other person associated with [1]**[***pensions or commodity derivatives or insurance or***]** securities market for at least two years from the date on which he demitted the office of Presiding Officer/Member, Securities Appellate Tribunal, unless specific prior approval for the purpose is obtained from the Central Government.

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1. Inserted by the Securities Appellate Tribunal (Salaries, Allowances and other Terms and Conditions of Presiding Officer and other Members) Amendment Rules, 2015, w.e.f. **7-9-2015**.

Removal and Resignation

12. (1) The Central Government may remove from office, the Presiding Officer or any Member of the Appellate Tribunal, who—

(*a*) has been adjudged an insolvent; or

(*b*) has been convicted of an offence which, in the opinion of the Central Government involves moral turpitude; or

(*c*) has become physically or mentally incapable of acting as the Presiding Officer or a Member; or

(*d*) has acquired such financial or other interest as is likely to affect prejudicially his functions as the Presiding Officer or a Member; or

(*e*) has so misbehaved or abused his position as to render his continuance in office prejudicial to the public interest.

(2) Notwithstanding anything contained in sub-section (1), the Presiding Officer or a Member of the Securities Appellate Tribunal shall not be removed from his office on the ground specified in clauses (*a*) to (*e*) of sub-section (1) except by an Order by the Central Government after an inquiry made by a Judge of the Supreme Court, in which the Presiding Officer or any other Member concerned has been informed of the charges against him and given a reasonable opportunity of being heard in respect of these charges reported that the Presiding Officer or a Member ought on such ground or grounds to be removed.

(3) The Central Government may suspend from office, the Presiding Officer or a Member of the Appellate Tribunal in respect of whom a reference has been made to the Supreme Court under sub-section (2), until the Central Government has passed an order on receipt of the report of the Supreme Court on such reference.

Residuary Powers

13. Matters relating to the conditions of service of the Presiding Officer or Members of Securities Appellate Tribunal with respect to which no express provision is made in these rules shall be referred in each case to the Central Government for its decision and the decision of the Central Government thereon shall be binding on the said Presiding Officer or Member.

Power to relax

14. The Central Government shall have the power to relax the provisions of any of these rules in respect of any class or category or persons.

Notification : *No. GSR 178(E), dated 9-3-2004.*

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