COMMITTEE ON GOVERNMENT ASSURANCES (2005-2006)

FOURTEENTH LOK SABHA

TENTH REPORT

REQUESTS FOR DROPPING OF ASSURANCES

(Presented to Lok Sabha on _____ 2006)



LOK SABHA SECRETARIAT NEW DELHI

February 2006/ Phalguna, 1927 (Saka)

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- I Minutes of the Sitting of the Committee held on 31 January 2006.
- II Minutes of the Sitting of the Committee held on 27 February 2006.

<u>COMPOSITION OF THE COMMITTEE ON GOVERNMENT ASSURANCES*</u> (2005-2006)

Shri Harin Pathak - CHAIRMAN

MEMBERS

- 2. Shri Rashid J.M.Aaron
- 3. Shri Yogi Aditya Nath
- 4. Shri Anandrao Vithoba Adsul
- 5. Shri Ajit Singh
- 6. Shri Jigajinagi Ramesh Chandappa
- 7. Shri Biren Singh Engti
- 8. Shri Mohan Jena
- 9. Shri Sunil Khan
- 10. Shri Rasheed Masood
- 11. Shri Kailash Meghwal
- 12. Shri A. Venkatesh Naik
- 13. Shri M. Shivanna
- 14. Shri Aruna Kumar Vundavalli
- 15. Shri Kailash Nath Singh Yadav

<u>SECRETARIAT</u>

1. Shri John Joseph - Secretary

2. Shri P. Sreedharan - Joint Secretary

3. Shri T.K. Mukherjee - Director

4. Shri K. Jena - Under Secretary

^{*} The Committee was constituted on 7 August 2005 vide Para No.1484 of Lok Sabha Bulletin Part-II dated 5 August 2005.

INTORDUCTION

I, the Chairman of the Committee on Government Assurances, having been

authorized by the Committee to submit the Report on their behalf, present this

Tenth Report of the Committee on Government Assurances.

2. The Committee (2005-2006) was constituted on 7 August 2005.

3. The Committee (2005-2006) at their sittings held on 31 January 2006

considered Memoranda Nos. 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67

and 68 containing requests received from the Ministries/Departments of the

Government of India for dropping of pending assurances.

4. At their sitting held on 27 February 2006, the Committee (2005-2006)

considered and adopted their Tenth Report.

5. The Minutes of the aforesaid sittings of the Committee form part of this

report. (Appendix)

6. For facility of reference and convenience, the observations and

recommendations of the Committee have been printed in bold letters in the Report.

NEW DELHI;

(HARIN PATHAK)

CHAIRMAN

COMMITTEE ON GOVERNMENT ASSURANCES

27 February, 2006

8 Phalguna, 1927 (Saka)

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REPORT

CHAPTER - I

REQUEST FOR DROPPING OF ASSURANCES (NOT ACCEPTED)

- (i) POSTAL ADVISORY COMMITTEE IN BIHAR
- 1.1 On 20 December 1993, Shri Chhedi Paswan, MP addressed the following Unstarred Question No. 2664 to the Minister of Communications:-
 - "(a) whether the Postal Advisory Committee in Bihar has not been constituted so far; and
 - (b) if so, the reasons therefor; and
 - (c) the time by which it is likely to be constituted?"
- 1.2 In reply, the then Minister of State in the Ministry of Communications (Shri Sukh Ram) stated as follows:-
 - "(a) Yes, Sir.
 - (b) The matter of reconstitution of the Postal Advisory Committee is under consideration at the appropriate level.
 - (c) As early as possible."
- 1.3 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Communications within three months of the date of reply i.e. by 19 March 1994. As the Ministry could not fulfill the assurance within the stipulated time, they sought extension of time on several occasions.
- 1.4 The Ministry of Communications vide their O.M. No. 88-6/92-GA(P) dated 19 July 2005, requested for dropping of the assurance on the grounds that it has

been decided with the approval of the Minister of Communications and Information Technology not to reconstitute a Postal Advisory Committee (PAC) for the Postal Circle in Bihar on the ground that Postal Advisory Committees were constituted in various postal circles in the country in the early seventies and even prior to that in the form of P & T Advisory Committees. The Committees comprise Members of Parliament, nominees of State/UT Governments and Legislatures, bodies representing trade and commerce, Press and rural interests apart from nominees of the Minister-in-charge. PACs were more relevant prior to the nineties when there were no effective forums to facilitate interaction between the Department and the general public, trade, commerce, etc., on the functioning of postal services. A lot of developments have taken place thereafter and at present a number of forums/avenues like a well-established web based vast network of public grievances redressal system functioning at different levels in the Department, customer grievances centres and information & facilitation counters at important post offices etc., are available for attending to the customers' needs. Dak Adalats, Pension Adalats, Speed Post Meets, PLI Melas, etc., are also organized at regular intervals where lot of opportunities are available to the public, business interests, etc., to interact with the officers of the Department. It also receives proposals and suggestions from MPs, MLAs, Standing Committees & Consultative Committees of Parliament which are considered at the highest levels in the Department. Thus the Department is subjected to public scrutiny from various angles at present. In these circumstances, it is felt that revival of the defunct Postal Advisory Committees may not be in keeping with the need of the time. It has therefore been decided not to reconstitute Postal Advisory

Committees in any of the Postal Circles."

1.5 In view of the above position, the Ministry with the approval of the Minister of Communications & Information Technology requested the Committee on Government Assurances, Lok Sabha to drop the assurance.

- The Committee note that a question was asked on 20 December 1.6 1993 regarding setting up of Postal Advisory Committee (PAC) in Bihar. In reply, the Government gave an assurance that the matter of reconstitution of the PAC was under consideration at the appropriate level. However the Government requested for dropping the assurance on the grounds that PACs which comprised of members of Parliament, nominees of State/Union territories Governments and Legislatures, etc. were constituted in the early Seventies and even prior to that in the form of P&T Advisory Committees. It was further stated that these Committees were more relevant when there were no effective forums to keep a check on the functioning of postal services. development of a number of forums/avenues for attending to the customers' needs besides Dak/Pension Adalats, Speed Posts Meets, PLI Melas, etc. the revival of PACs has not been thought appropriate. This request of the Ministry for dropping the said assurance was considered by the Committee at their sitting held on 31 January 2006.
- 1.7 The Committee observe that PACs comprised of members of Parliament, nominees of State/Union territories Governments and Legislatures, bodies representing trade and commerce, Press and rural interests apart from nominees of the Minister-in-charge. The Committee are aware of the various options available for redressal of the grievances of the customers and also of the institutions/mechanisms meant for keeping a check on the functioning of the postal services. However, in

their opinion, no other forum/avenue provide as effective a check over the Department as the PAC can provide. The Committee are also of the view that there will be a meaningful interaction between the Department and the general public through PACs which in turn will facilitate redressal of the grievances of the public. The Committee, therefore, decided not to drop the assurance.

[ii] NON-CONVENTIONAL ENERGY POLICY

- 1.8 On March 8, 1999, Shri D.S. Ahire and Shri Madan Patil, MPs addressed the following Unstarred Question No. 1728, to the Minister of Non-Conventional Energy Sources:-
 - "(a) whether the Government have approved the draft of the New Renewable Energy Policy;
 - (b) if so, the details thereof;
 - (c) if not, the reason therefor, and
 - (d) the time by which the policy is likely to be approved and implemented?"
- 1.9 In reply to the above question, the then Minister of Power, Parliamentary Affairs and Non-Conventional Energy Sources (Shri P.R. Kumaramangalam) stated as follows:-
 - "(a), (b), (c) & (d): The Ministry of Non-Conventional Energy Sources is preparing a comprehensive Renewable Energy Policy. The main objectives of the Renewable Energy Policy include augmentation of grid electricity supply, energy for rural development, substitution of fossil fuels for decentralized applications and reduction in environmental pollution and degradation. The draft of the Renewable Energy Policy is being finalized in the Ministry, for submission to the Government for approval."
- 1.10. The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Non-Conventional Energy Sources within three months of the date of reply i.e. by 8 June 1999. As the Ministry could not fulfill the assurance within the stipulated time, they sought extension of time limit on several occasions.

- 1.11 The Ministry of Non-Conventional Energy Sources vide their O.M. No.4/23/2004-P&C dated 14 December 2004 requested for dropping of the said assurance on the ground that the draft Renewable Energy Policy Statement which was considered by the Union Cabinet in July, 2000 was referred at its behest to a Group of Ministers (GOM) headed by Shri M.M. Joshi, the then Minister of HRD, Science and Technology and Ocean Development. The GOM stood dissolved with the formation of new government and the Cabinet Secretariat was informed accordingly. Under the Electricity Act, 2003 a national electricity policy and national tariff policy which should cover renewable, as well, is required to be prepared.
- 1.12 In view of the above position, the Ministry with the approval of the Minister of State (Independent Charge) of Non-conventional Energy Sources requested the Committee on Government Assurance to drop the assurance.

- 1.13 The Committee note that a question was asked on 8 March 1999 regarding Renewable Energy Policy. The question *inter-alia* sought information regarding the draft Renewable Energy Policy and the time by which the policy would be approved and implemented. In reply it was stated by the Government that a Comprehensive Renewable Energy Policy was under preparation, which aimed for augmentation of grid electricity supply, energy for rural development, substitution of fossil fuels for decentralized application, etc. Since this reply was treated as an assurance the Government requested the Committee to drop the assurance *inter-alia* on the ground that the draft Renewable Energy Policy Statement which was considered by the Union Government in July 2000 was referred at its behest to a Group of Ministers which was dissolved with the formation of new Government.
- 1.14 The Committee considered the request for dropping the assurance at their sitting held on 31 January 2006 and decided not to drop the assurance. The Committee note that the draft Renewable Energy Policy Statement was considered by the Union Cabinet way back in July 2000 and was referred to a Group of Ministers (GoM) which got dissolved with the change of Government. The dissolution of the Group of Ministers which was looking into the subject earlier, consequent upon the formation of new Government is not a valid ground for dropping of the assurance. The Committee are unhappy to point out that the Ministry has not taken any concrete step to finalize the said policy despite the

fact that under the Electricity Act, 2003 a National Electricity Policy and National Tariff Policy which should cover renewables, as well, is required to be prepared. They, therefore, recommend that the utmost priority should be accorded to the matter and the policy should be finalised at the earliest. The Committee would like to be apprised of the steps taken by the Ministry in this regard.

[iii] CHEATING FOR DOPE

- 1.15 On 27 August 2001, Shri K.H. Muniyappa, M.P., addressed the following Unstarred Question No.4989 to the Minister of Youth Affairs and Sports:-
 - "(a) whether any sports persons of the country have been found guilty in regard to cheating for dope used in National/International meets during the last decade and current year, till-date;
 - (b) if so, the details thereof, sport-wise; and
 - (c) the action taken by the Government against each of them?"
- 1.16 In reply, the then Minister of State in the Ministry of Youth Affairs & Sports (Shri Pon. Radhakirishnan) stated as follows:-

"(a) to (c): Information is being collected and will be laid on the table of the house."

- 1.17 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Youth Affairs and Sports within three months of the date of the reply <u>i.e.</u> by 26 November 2001. The assurance could not be fulfilled and the Ministry sought extension of time on several occasions to fulfill the same.
- 1.18 The Ministry of Youth Affairs and Sports <u>vide</u> O.M.No.H-11016/30/2001 Desk (SAI) dated 7 December 2005 alongwith a copy of letter dated 5th April 2005 with the approval of the Minister for Youth Affairs and Sports requested for dropping of the assurance on the grounds that the question requires information in respect of sports persons of the country found guilty in regard to cheating for dope used in National/International meets during the last decade and current year.

It was further stated that the information from the year 1990 onwards has to be collected in respect of all National and International meets which is not feasible.

1.19 In view of the above, the Ministry requested that the assurance may kindly be dropped from the list of assurances.

1.20 The Committee note that a question was asked on 27 August 2001 regarding cheating for dope. The question inter-alia sought information regarding sports persons of the country found guilty for doping in National and International sports meet and the action taken by the Government in this regard. In reply, the Government stated that the information would be furnished after the same is collected. This reply was treated as an assurance. The Government thereafter requested the Committee for deletion of this assurance from the list of pending assurances on the grounds that collection of information in respect of sportspersons of the country found guilty for doping during the last decade and also for the current year, is not feasible. The request of the Ministry for deletion of the assurance was considered by the Committee at their sitting held on 31 January 2006 and the Committee decided not to drop the assurance. The Committee are of the opinion that since such cases are widely known and may not be sizeable in number, they can be identified from the records easily. The Committee are also of the opinion that cases of doping undermine the goodwill as well as prestige of the country and the sportspersons. The Committee therefore desire that the said information should be collected and placed on the table of the House so as to discourage sportspersons from indulging in such activities and also to fulfill the long pending assurance.

[iv] ALLOTMENT OF LPG AGENCIES/PETROL PUMPS TO WIDOWS IN ITBP AND BSF

- 1.21 On 7 March 2002, Prof. Ummareddy Venkateswarlu, MP addressed the following Starrred Question No. 110, to the Minister of Petroleum & Natural Gas:-
 - "(a) Whether the Government have received applications with appropriate recommendations for allotment of petrol pumps or LPG agencies to the widows of officers working in ITBP or BSF, who were killed in action in Kashmir and other parts of the country;
 - (b) if so, the number of such applications pending presently with the Government;
 - (c) the reasons for delay in allotting the petrol outlets or LPG agencies to those widows; and
 - (d) the steps proposed to introduce a fast track approach for this matter on humanitarian grounds?"
- 1.22 In reply to the above question, the then Minister of Petroleum & Natural Gas (Shri Ram Naik) stated as follows:-
 - "(a) to (d): A statement is laid on the Table of House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 110 TO BE ANSWERED ON 7.3.2002 REGARDING ALLOTMENT OF LPG AGENCIES/PETROL PUMPS TO WIDOWS IN ITBP AND BSF.

- (a): Yes, Sir.
- (b) to (d): As per the guidelines for allotment of retail outlet dealerships/LPG distrubutorships/SKO-LDO dealerships under the discretionary quota the applications are to be scrutinized by a Committee of Directors (Marketing) of the oil marketing companies for government decision. As per the Supreme Court order and government decision the number of discretionary allotments in a year shall not exceed 10% of average annual Marketing Plan or 75, whichever is less.

As on 1 February 2002, 1668 applications have been received, including 15 from widows of Indo-Tibetan border Police (ITBP) personnel and 55 from widows of Border Security Force (BSF) personnel. The applications are being considered and would be decided as early as possible."

- 1.23 The above reply was treated as an assurance and was required to be fulfilled by the Ministry Petroleum & Natural Gas within three months of the date of reply i.e. by 7 June 2002. As the Ministry could not fulfill the assurance within the stipulated time, they had sought extension of time upto 15 June 2004.
- 1.24 The Ministry of Petroleum & Natural Gas vide their O.M. No. P-38016/99/2001-IOC dated 14 October 2004 requested for dropping of the said assurance on the ground that the receipt of applications under discretionary quota and processing of the same is a continuous exercise. Therefore, it was not the intention of the Government to give an assurance in the matter.

1.25 It was also stated that the pending assurance was reviewed. It was also stated that the exercise for allotment of dealerships/distributionships under discretionary quota involves initial processing of the applications by a committee of the oil industry, subsequent meticulous scrutiny of the cases by the Ministry and decision on each case by the Minister of Petroleum & Natural Gas personally by way of a speaking order on each case. Therefore, the whole process is a timeconsuming affair. Secondly, a very limited number of dealerships/distrubutorships can be allotted as against a very large number of applications received from similarly-placed persons. This also makes the task of selection quite onerous, because it is very difficult to choose a person from the large number of aspirants, placed in a similar situation. Further, on request, a copy of the order is also required to be furnished to an unsuccessful applicant. All these require that allotment to each person has to be strictly on merit in order to pre-empt any likely complaint/court case later on. Because of all these factors, processing and decision on each case takes time. And, as already mentioned above, this is a continuous process and there is no cut off date for receipt of applications. Therefore, it is not possible to indicate the time frame within which all the applications can be decided upon. The Ministry of Petroleum and Natural Gas is considering various steps including examination of the applications by, and consulting the Director General Resettlement, Ministry of Defence and Ministry of Home Affairs who deal with the welfare/rehabilitation of Army/Paramilitary personnel and their next of kin with a view to expediting the decision-making process.

- 1.26 The Ministry also stated that so far, out of more than 1800 applications received by the Government, only 50 dealerships/distrubutorships could be allotted. Out of these 50 allottees, four allottees are the wives of deceased BSF personnel and one is the wife of a deceased ITBP employee.
- 1.27 It was further stated that as already explained above, this is a continuous process and, therefore, complete fulfillment of this assurance is not likely to be achieved. The Ministry therefore, with the approval of the Minister of Petroleum & Natural Gas requested the Committee on Government Assurances to delete this assurance.

1.28 A question was asked on 7 March 2002 regarding allotment of LPG Agencies/Petrol Pumps to widows of ITBP and BSF personnel. The question inter-alia sought information regarding applications received for allotment of petrol pumps or LPG agencies to the widows or officers working in ITBP or BSF, killed in Kashmir or at other places and the action taken by the Government in this regard. In reply, it was stated by Government that the applications for allotment of LPG Agencies/Petrol Pumps are to be scrutinized by a Committee of Directors and as on 1 February 2002, 1668 applications were received and the same were under consideration. This reply was treated as an assurance. However, the Ministry requested for dropping of the assurance on the grounds that the receipt of applications and their processing is a continuous process. Moreover, the whole process is time consuming and allotment to each person is to be strictly on the merit in order to avoid complaints/court cases, etc. It was also stated that out of more than 1800 applications received, only 50 dealerships/distributorship could be allotted and out of these four were the wives of deceased BSF personnel and one of an ITBP employee. The Committee considered the request of the Ministry at their sitting held on 31 January 2006 and decided not to drop the assurance. The Committee are of the view that the interest of the widows, of the ITBP and BSF personnel who laid their lives for the country, need to be protected at all costs. The Committee are perturbed to note that out of more than 1800 applications received by the Government only 50 dealerships/distributorships could be allotted and out of this just four allotees are the wives of deceased BSF personnel and one of deceased ITBP employee. This clearly shows the lethargic attitude of the Ministry in looking after the interests of the widows of BSF/ITBP Jawans killed in action. The Committee, therefore, desire that the process of allotment of dealerships/distributorships should be streamlined and should also be made more effective through appropriate changes in the allotment process and cases of BSF/ITBP widows be considered sympathetically. The Committee would like to be apprised of the steps taken by the Ministry in this regard.

[v] CONSTRUCTION OF NATIONAL WAR MEMORIAL AND WAR MUSEUM

- 1.29 On 13 March 2003, Shri Jai Prakash, MP addressed the following Unstarred Question No.3272 to the Minister of Defence:-
 - "(a) whether the Government are contemplating to set up a `National War Memorial` in Delhi;
 - (b) if so, the steps being taken by the Government in this regard; and
 - (c) if not, the reasons therefor?"
- 1.30 In reply, the then Minister of Defence (Shri George Fernandes) stated as follows:-
 - "(a) to (c): It is proposed to set up a `National War Memorial` preferably along the Central Vista in New Delhi to commemorate those who have laid down their lives for the country. The matter is being pursued with Ministry of Urban Development for allotment of a suitable plot of land for this purpose."
- 1.31 On 22 July 2004, Shri Raghunath Jha, MP addressed the following Unstarred Question No.2112 to the Minister of Defence:-
 - "(a) whether there is a proposal to construct a national war memorial and a national war museum as symbols of national pride and honour for the soldiers who laid their lives valiantly for the cause of motherland;
 - (b) if so, the details thereof; and
 - (c) the time by which the same will be completed?"
- 1.32 In reply, the Minister of Defence (Shri Pranab Mukherjee) stated as follows:-

- "(a) Yes, Sir.
- (b) The Ministry of Urban Development has been approached for allotment of suitable land. The land is yet to be allotted.
- (c) It depends upon the allotment of land."
- The replies to the above questions were treated as assurances and were required to be fulfilled by the Ministry of Defence within three months of the date of their replies but the assurances could not be fulfilled within the stipulated time. 1.34 The Ministry of Defence vide O.M. No.6(72)/2004/PA/II/D(Res) dated 7 October 2005 requested to drop the assurances on the grounds that the matter relating to construction of National War Memorial and National War Museum was conceived long back. The Ministry of Urban Development had allotted 17.616 acres of land comprising Princess Park Hostel, Sangli Mess and Syass Mess, near India Gate for construction of a composite complex, housing National War Memorial and National War Museum. However, in 1998, the construction of National War Memorial was delinked from National War Museum. After de-linking the project, it was decided to pursue the proposal to construct a National War Memorial in one of the quandrants in India Gate Complex next to the National Stadium. However, no headway in this regard has been made for want of an appropriate site acceptable to army authorities and various civil authorities.
- 1.35 The Standing Committee of Parliament on Defence (14th Lok Sabha) in its first report recommended to constitute a high level inter-ministerial Committee immediately to identify suitable site for construction of these two projects.

Accordingly, an Inter Ministerial Committee with the following members was constituted on 22 March 2005:-

- (1) Addl. Secretary (ESW), Ministry of Defence Chairperson
- (2) Joint Secretary, Ministry of Urban Development Member
- (3) Engineer-in-Chief, Army HQrs Member
- (4) Member Secretary, NCR, Planning Board Member
- (5) Joint Secretary (ESW), Ministry of Defence Member Secretary
- 1.36 The Inter-Ministerial Committee held two meetings on 28 April 2005 and 19 May 2005. Army HQrs. Also made a presentation of the concept plan of the National War Memorial before the Inter-Ministerial Committee which was proposed to be built within the area surrounding the canopy (Chhatri) near India Gate.
- 1.37 Subsequently, a presentation was made by the Army HQrs on the concept plan of the proposed National War Memorial on 2 September 2005 inter-alia before Shri Pranab Mukherjee, the Defence Minister and Shri Ghulam Nabi Azad, the Hon'ble Minister for Urban Development.
- 1.38 In accordance with the decision taken in the aforesaid meeting, Delhi Urban Art Commission (DUAC) organized a joint meeting on 4 October 2005 of all the organizations and interest groups concerned with architectural heritage of the Central Vista. In that meeting, it was indicated that the site at Central Vista would not be acceptable. This means that the whole exercise for the site and the concept plan has to be initiated de novo.

- 1.39 It is seen from the foregoing that there are number of agencies like Delhi Urban Art Commission, New Delhi Municipal Committee, CPWD, Central Vista Committee, National Capital Region Planning Board involved in the clearance of the project. The Army HQrs. is very particular that the monument should be located at the Central Vista. The opposition of architectural and heritage interest groups to anything coming up in the Central Vista is well known.
- 1.40 As such, the construction of National War Memorial is contingent upon several factors beyond the control of the Ministry of Defence.
- 1.41 In view of the above, the Ministry with the approval of Hon'ble Minister of Defence requested the Committee to drop both the assurances.

1.42 The Committee note that two questions were asked on 13 March 2003 and 22 July 2004 regarding construction of a National War Memorial and a War Museum in Delhi. In reply to these questions the Government inter-alia stated that they proposed to set up the National War Memorial preferably along the Central Vista in New Delhi to commemorate those who laid down their lives for the country and the land was yet to be allotted by the Ministry of Urban Development. As the replies were treated as assurances, a request for dropping them was made by the Government inter-alia on the grounds that a number of agencies are involved in the clearance of the project and the construction of the National War Memorial is contingent upon several factors beyond the control of the Ministry of Defence. The request of the Ministry was considered by the Committee at their sitting held on 31 January 2006 and the Committee decided not to drop the assurances. The Committee note with serious concern that the proposed construction was conceived long back and land measuring 17.616 acres Thereafter, an Inter-Ministerial Committee was was also allotted. constituted which held two meetings, besides presentation by Army Headquarters before the Inter-Ministerial Committee and also before Minister of Defence and Minister of Urban Development and a joint meeting was held on 4 October 2005 by the Urban Art Commission. However, the Committee regret to note that nothing concrete emerged even after taking the whole exercise. The Committee further regret to note that whole exercise for the site and also the concept plan has to be initiated de novo. The Committee express their unhappiness over these unfortunate events and desire that the matter should be pursued in a well-planned and systematic way. The Committee are of the view that once the House has been assured by the Government that the Government propose to build a National War Memorial and a War Museum, it becomes the duty of the Government to sort out the matter. Involvement of a number of agencies in the decision making process cannot be a reason for dropping of an important assurance. The Committee would like to be apprised of the present position of the assurance.

[vi] DONATION RACKET IN PUBLIC SCHOOLS

- 1.43 On 6 May 2005, S/Shri Ram Kripal Yadav and D.P. Saroj, MPs asked the following Unstarred Question No. 6264 regarding Donation Racket in Public Schools to the Minister of Finance:-
 - "(a) whether Income Tax department has unearthed donation racket in some Public Schools in the National Capital of Delhi;
 - (b) if so, the details thereof;
 - (c) whether these public schools are running the racket through the societies managing these schools and illegally granting tax exemption certificates;
 - (d) whether Income Tax Department has also unearthed bungling in land allotment to these societies by DDA; and
 - (e) if so, details thereof and action taken by the Government in this regard?"
- 1.44 In reply, the Minister of State in the Ministry of Finance (Shri S.S. Palanimanickam) stated as follows:-
 - "(a), (b) & (c): Yes Sir. Instances of receiving conditional donations from parents/relatives of students of Bal Bharati Pubic School, Pitampura, New Delhi being run by Child Education Society and issue of tax exemption certificates under section 80G of the IT Act have been noticed during a survey operation carried out under Section 133 A of the Income-tax Act, 1961. Further investigation is in progress.
 - (d): No Sir.
 - (e): Not applicable."

- 1.45 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Finance within three months of the date of reply i.e. by 5 August 2005.
- 1.46 The Ministry of Finance vide their letter No. F.No.184/8/2005-ITA.I dated 5 August 2005, requested for dropping of the assurance on the grounds that income of the Society (Child Education Society) for Assessment Year 2002-2003 has been assessed at Rs. 6,96,22,507 as against 'Nil' income returned and a demand of Rs. 2,57,24,723 has been raised. An amount of Rs. 4,65,87,027 was shown in the accounts of the society as on 31/3/2002 as liability owed to the guardians of the students as if the said amount was refundable. The assessee's explanation was found unsatisfactory and hence the entire amount was added to the disclosed income. Penalty proceedings under section 271(1) (c) of the Income tax Act, 1961 has also been initiated which is pending as the society has filed the appeal before the Commissioner of Income tax (Appeals). The appeal is presently pending.
- 1.47 Investigation with regard to other Assessment years is in progress. Assessment proceedings for Assessment Year 2003-2004 are required to be completed on or before 31/03/2006. For assessment Years 1999-2000, 2000-2001 and 2001-2002, proposal for reassessment of income is underway.
- 1.48 Investigation being a continuous process and because of the period of limitation provided for completion of assessment proceedings as per Income tax Act, 1961, the Ministry have requested for deletion of the assurance and have also requested for extension of time for fulfillment of assurance by six months i.e. upto February 2006.

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The Ministry also stated that it had the approval of Minister of State for

1.49

Finance.

1.50 The Committee note that a question was asked on 6 May 2005 regarding Donation Racket in Public Schools. The question inter-alia sought information regarding unearthing of donation racket in some Public Schools of Delhi. In reply the Government stated that instances of receiving conditional donations from parents/relatives of students of a school in Delhi and issue of tax exemption certificates under section 80G of the Income Tax Act came to the notice during a survey operation and the matter was being investigated. The reply was treated as an assurance, but the Ministry requested for dropping the same on the ground that penalty proceedings under section 271(1)(c) of the Income Tax Act have been initiated and investigation with regard to other assessment years is in progress. The Committee considered the request of the Ministry at their sitting held on 31 January 2006 and decided not to drop the assurance. The Committee are of the view that such instances are unfortunate and need to be stopped at all costs. The schools, on the one hand, get tax exemption under section 80G and, on the other hand, charge donations from parents/relatives of students. Keeping in view the socio-economic repercussions of the actions of certain educational institutions, the Committee, therefore, desire that the matter should be thoroughly investigated and necessary steps should be taken at the earliest to check such instances. They also desire that a detailed report regarding the schools getting tax exemption under

the said section along with details of complaints in respect of such schools should be furnished to the Committee.

CHAPTER – II REQUEST FOR DROPPING OF ASSURANCES (ACCEPTED)

[i] FOREIGN TOURS BY MINISTERS

- 2.1 On 22 November 2000, Shri Pusp Jain, M.P., addressed the following Unstarred Question No.470 to the Minister of External Affairs:-
 - "(a) the names of Ministers who undertook foreign tours after the present Government came into power till date alongwith the names of the countries visited by them and the number of times those countries were visited;
 - (b) the number of Government officials who accompanied them;
 - (c) the expenditure incurred on the visits;
 - (d) the purpose and outcome of their visits;
 - (e) whether the tours of some of the Ministers were not approved; and
 - (f) if so, the details thereof and the reasons therefor?"
- 2.2 In reply, the then Minister of State in the Ministry of External Affairs (Shri Ajit Kumar Panja) stated as follows:-
 - "(a) (f) The information is being collected and will be placed on the Table of the House."
- 2.3 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of External Affairs within three months of the date of the reply *i.e.* by 21 February 2001.

- 2.4 The Ministry of External Affairs <u>vide</u> O.M.No.AA/125/Parl/114/2000 dated 17 January 2006 with the approval of the Minister of State for External Affairs requested for dropping of the assurance on the grounds that the 2nd Implementation Report in the prescribed format has been forwarded to the Ministry of Parliamentary Affairs on 10 January 2006. The 2nd Implementation Report has also been submitted partially because the information is still awaited from 3 more Ministries/Departments of Government of India despite 14 reminders were issued till date. The Ministry has further stated that the Question is omnibus in nature and the time gap is more than 5 years.
- 2.5 In view of the above, the Ministry requested that the assurance may kindly be dropped from the list of assurances.

A question was asked on 22 November 2000 regarding Foreign 2.6 tours by Ministers. The question inter-alia sought information regarding the foreign tours undertaken by Ministers, the countries visited, expenditure incurred on such tours, purpose and outcome of the tours, etc. In reply, the Government gave an assurance that the information would be placed on the Table of the House after its collection. The reply was treated as an assurance. The Ministry however, requested for dropping the assurance on the ground that the second Implementation Report of the assurance could also be submitted partially because information is still awaited from three more Ministries/Departments despite fourteen reminders. The Ministry further stated that the question is omnibus in nature and the time gap is more than five years. The Committee considered the request of the Ministry at their sitting held on 31 January 2006 and having been satisfied by the reasons furnished by the Committee decided to drop the assurance.

[ii] INCLUSION OF TOURISM INDUSTRY IN UNION LIST

- 2.7 On 23 November 2000, Shri Tufani Saroj, MP addressed the following Unstarred Question No. 702 to the Minister of Tourism and Culture:-
 - "(a) whether the Government propose to include tourism industry in the Union List of the Constitution;
 - (b) if so, the details thereof;
 - (c) whether the crisis of existence has been arisen before the tourism industry due to heavy taxation and complicated licensing procedure; and
 - (d) if so, the step being taken by the Government to safe guard the interest of this industry?"
- 2.8 In reply, the then Minister of Tourism and Culture (Shri Ananth Kumar) stated as follows:-
 - "(a) and (b): There is no proposal to include tourism industry in the Union List of the Constitution. However, the issue of bringing Tourism to the Concurrent List has been under discussion with the States/Union Territories and concerned Ministries of the Central Government.
 - (c) and (d): There is no crisis of existence of tourism industry due to taxation and complicated licensing procedure. The tourism industry has been granted Export House status and is entitled to such benefits as specified in Chapter 12 of the Handbook of Procedures (Volume I) issued by the Ministry of Commerce, Government of India. The matter regarding the rationalisation of tax structure has also been taken up by the Central Government with the State Governments/Union Territory Administrations in various fora such as State Tourism Ministers Conference, State Tourism Secretaries Conference and meetings of Transport Development Council of the Ministry of Surface Transport."

- 2.9 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Tourism within three months of the date of reply i.e. by 22 February 2001. As the Ministry could not fulfill the assurance within the stipulated time, they sought extension of time upto 22 November 2005.
- 2.10 On 6 December 2004, Shri Kamla Prasad Rawat and Prof. M. Ramadass, MPs addressed the following Unstarred Question No. 718 to the Minister of Tourism:-
 - "(a) whether the Union Government proposes to promote tourism industry by enacting a law on tourism, enforcing it effectively to bring tourism in the Union list and declaring the pilgrim places as tourist centers; and
 - (b) if so, by when such law is likely to be enacted and implemented?"
- 2.11 In reply, the then Minister of State for Tourism (Independent Charge) Smt. Renuka Chowdhury stated as follows:-
 - "(a) and (b): The issue of bringing Tourism in the Concurent List of the Constitution is being examined in consultation with the State Governments. However, it is not possible at this juncture to indicate a time frame for this."
- 2.12 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Tourism within three months of the date of reply i.e. by 5 March 2005, but it could not be fulfilled within the stipulated time.
- 2.13 The Ministry of Tourism vide letter F.No.1(38)/2004-MRD dated 24 October 2005 addressed to Hon'ble Chairman, Committee on Government Assurances requested to drop the assurances on the grounds that the matter has been

examined in details in the Ministry. It is felt that even if "Tourism is put in the Concurrent List of the 7th schedule of the Constitution, it may not be possible for the M/o Tourism to legislate on issues which are under the administrative powers of other Ministries/State Governments, like matters concerning Civil Aviation, Transport, Taxes, Land for Hotels, etc. Further, although it may be possible for the Ministry to legislate on issues which are not allotted to any other Ministry, like hospitality, travel-trade, guide services, etc. it is felt that even in today's situation, the Ministry is regulating these sectors in the form of star-classification to Hotels for registration of guides or giving approvals to travel agencies & tourist transport operators. Moreover, even in today's scenario, when "Tourism" does not appear in any of the three Lists of the 7th Schedule of the Constitution, the Central Government is competent to legislate on any matter under the residuary powers. It has, therefore, been felt that no purpose would be served by placing "Tourism" in the Concurrent List of the Constitution, and it has been decided with the approval of Minister of State for Tourism (IC) to drop the proposal.

2.14 In view of the above, the Ministry requested the Committee on Government Assurances to drop the assurance. The Ministry also stated that it has the approval of the Minister of State for Tourism (IC).

2.15 The Committee note that two questions were asked on 23 November 2000 and 6 December 2004 regarding inclusion of Tourism Industry in the Union List. In reply, the Government *inter-alia* stated that there was no proposal to include tourism in the Union List of the Constitution; however, the Government was considering to bring tourism in the Concurrent List. This reply was construed as an assurance. The Ministry requested for dropping the assurance on the ground that the Central Government is competent to legislate on any matter under the residuary powers including 'Tourism' which does not appear in any of the three Lists of the Seventh Schedule of the Constitution. The Committee considered the request of the Ministry at their sitting held on 31 January 2006 and having been satisfied by the reasons furnished by the Ministry the Committee decided to drop the assurance.

[iii] SETTING UP OF NATIONAL ROWING ACADEMY

- 2.16 On 20 August 2001, Shri Rajaiah Malyala, M.P., addressed the following Unstarred Question No.3996 to the Minister of Youth Affairs and Sports:-
 - "(a) whether there is any proposal to set up a National Rowing Academy near Tank Bund at Hyderabad; and
 - (b) if so, the details thereof?"
- 2.17 In reply, the then Minister of State in the Ministry of Youth Affairs & Sports (Shri Pon. Radhakirishnan) stated as follows:-
 - "(a) and (b): Yes, Sir. A proposal has been received to set up a Rowing Academy at the Hussain Sagar Lake, Hyderabad. The Secretary, Department of Youth Advancement, Tourism & Culture, Government of Andhra Pradesh has communicated to Director General, Sports Authority of India vide letter dated 21.7.2001 that the Govt. of Andhra Pradesh has taken a decision to set up a Rowing Academy at the Hussain Sagar Lake at Hyderabad for which 2.147 acres of land will be allotted to the Sports Authority of India with the condition that the lake front would be used by other Associations and sports persons and other water sports clubs of Andhra Pradesh namely, Canoeing, Kayaking, **Yachting** etc.

Further, State Government has decided to transfer the existing building of Commissioner of Youth Services to the Sports Authority of India permitting them to construct additional floors for housing and dormitories. The State Government has valued the building at Rs.33.52 lakhs (@ Rs.400/-per sq.ft) and wants SAI to pay the above amount to Commissioner of Youth Services. The State Government has also informed Sports Authority of India that facilities like dredging in lake front and other works can also be undertaken by the Municipal Corporation of Hyderabad on repayment of actual cost.

The proposal is under consideration."

- 2.18 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Youth Affairs and Sports within three months of the date of the reply *i.e.* by 19 November 2001.
- 2.19 The Ministry of Youth Affairs and Sports <u>vide</u> O.M.No.H-11016/27/2001 Desk (SAI) dated 7 December 2005 with the approval of the Minister of Youth Affairs and Sports requested for dropping of the assurance on the grounds that the State Government of Andhra Pradesh does not seem to be fulfilling the basic requirement of the scheme for allotment of land and building free of cost to SAI.
- 2.20 In view of the above, the Ministry have requested that the assurance may kindly be dropped from the list of assurances.

2.21 The Committee note that a question was asked on 20 August 2001 regarding setting up of National Rowing Academy. In reply it was *interalia* stated by the Government that a proposal was received to set up a Rowing Academy at the Hussain Sagar Lake, Hyderabad and the proposal was under consideration. However, the Ministry requested for dropping the assurance on the ground that the State Government of Andhra Pradesh does not seem to be fulfilling the basic requirement of the scheme for allotment of land and building free of cost to the Sports Authority of India. The Committee at their sitting held on 31 January 2006 considered the request of the Ministry and having been satisfied by the reasons advanced by the Ministry decided to drop the assurance.

[iv] PROBLEMS BEING FACED BY PRODUCERS OF RAW SILK AND IMPORT OF COTTON AND SILK

2.22 On July 17, 2002, K. Yerannaidu, MP calling attention of the Minister of Textiles to the following matter of urgent public importance and requested that he may make a statement thereon:-

"The problems being faced by the producers of raw silk in the country and steps taken by the Government thereto."

- 2.23 After the statement made by the then Minister of Textiles (Shri Kashiram Rana), S/Shri H.D. Deve Gowda, K.H. Muniyappa, R.L. Jalappa Hon'ble Members expressed their concern for saving the farmers and domestic Silk Industry and desired that the Government should take steps in this regard urgently and the import duty on the import of silk should be increased.
- 2.24 In reply, the then Minister of Textiles (Shri Kashi Ram Rana) inter-alia stated as follows:-

"So far as import duty is concerned, all the Hon'ble Members want to raise it to 70% or 100% but I would like to assure the House that the proposal to restore the earlier import duty rate is under consideration and the Government desires to raise the duty from 30% to 40%......"

- 2.25 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Textiles within three months of the date of the reply i.e. by October 16, 2002.
- 2.26 On August 2, 2002, Shri Gutha Sukender Reddy, MP addressed the following Unstarred Question No. 2925 regarding Import duty on cotton and silk to the Minister of Textiles:-

- "(a) Whether some State Governments have requested the Union Government to increase the import duty on cotton and China silk yarn to protect the domestic cotton silk industries;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?"
- 2.27 In reply the above question, the then Minister of State in the Ministry of Textiles (Shri Basangouda R. Patil (Yatnal) stated as follows:-
 - "(a) to (c) Union Government had received requests to increase duty on import of cotton. After taking into account the interests of all concerned and the prevailing difference between the domestic and international prices, Government hiked the customs duty on import of cotton from 5% to 10% with effect from 09.01.2002.

The State Governments of Andhra Pradesh and Karnataka have requested for increase in import duty on raw silk and other actions. Action has been initiated regarding investigation into anti dumping and the matter regarding increase in import duty is under consideration of the Government."

- 2.28 Reply to the above question was treated as an assurance and was required to be fulfilled by the Ministry of Textiles within three months of the date of the reply i.e. by November 1, 2002.
- 2.29 The Ministry of Parliamentary Affairs vide their U.O. Note No.X/Textiles(3) Calling Attention-LS/02 and U.O No.XIII-X/Textiles (1)/USQ 2935-LS/02 dated 9th May, 2003 forwarded a request of the Ministry of Textiles to drop the assurances inter-alila on the ground that the Government of India vide Customs' Notification No. 2/2003 dated 2nd January, 2003 had imposed antidumping duty equivalent to the difference between the amount of US \$ 33.19 per kg and the landed value of

imported mulberry raw silk(not thrown); 2A grade and below, originating in, or exported from, Peoples' Republic of China. The said antidumping duty has been imposed provisionally, and shall be effective upto 1st July, 2003.

"The Ministry of Textiles had requested Ministry of Finance to consider enhancement of import duty on raw silk to the level of 40%. Due consideration was given during the exercise for the Budget 2003-2004. Though in the Budget announced for 2003-2004 the peak rate of customs duty has been reduced from 30% to 25%, on agricultural and dairy products, i.e. goods falling under chapter 1-24 and cotton, silk, etc,. the peak rate of 30%, wherever they are applicable, has not been reduced, thereby allowing import duty on silk items falling under sub heading 5001, 5002, 5003 i.e. silk worn cocoons, raw silk and silk waste at the level of 30%. As Government notification has been issued to impose antidumping duty & due consideration has been given to the Ministry's recommendations regarding import duty, both assurances stand fulfilled. In the light of these facts it is requested that the assurances may please be dropped."

- 2.30 The Committee at their sitting held on July 4, 2003 considered the above mentioned requests of the Ministry of Textiles and decided not to drop the assurance.
- 2.31 However, the Ministry of Textiles vide their D.O. No.H-11016/20/02-Silk dated 15th April, 2005 requested to drop the aforesaid assurance on the ground that the assurances relate to imposition of anti-dumping duty on import of raw silk from China and enhancement of import duty in respect of raw silk. With regard to anti-dumping duty it is stated that the Directorate General of Antidumping & Allied Duties (DGAD) has w.e.f. 3rd July, 2003 imposed antidumping duty of US \$ 27.97 per kg on all imports of mulberry raw silk (not thrown) of international grade 2A and below, originating in or exported from People's Republic of China.

2.32 With respect to assurances regarding enhancement of import duty on raw silk, it has been stated that the Ministry of Textiles have been requesting the Ministry of Finance for the same. Though the Ministry of Finance has not enhanced the import duty on raw silk but has retained it at the level of 30% from 2002-2003 till current fiscal year. Since the subject of assurance lies within the purview of the Ministry of Finance and the Ministry of Textiles can only recommend enhancement of the import duty to the Ministry of Finance, which has appropriately been done.

2.33 The Minister of Textiles (Shri Shankersinh Vagela) vide his d.o. letter No.H-11016/20/02-Silk dated 23rd June, 2005 addressed to Hon'ble Chairman, Committee on Government Assurances also requested to drop the assurance stating *inter-alia* as under:

"the issue of raising or lowering import duty on various articles is considered every time the exercise to prepare annual budget for the financial year is undertaken by the Government. Various suggestions are received by the Administrative Ministry as well as by the Finance Ministry directly. On the basis of the recommendations of the Administrative Ministry as also taking into account the overall retaining at the same level the import duty on different articles. The decision of the Government finds manifestation in the annual budget announced by the Finance Minister during the Budget Session of Parliament".

2.34 Hon'ble Minister also stated that the issue of raising or lowering of import duty can not, therefore, be a base of an assurance. He therefore requested that this assurance may be dropped because of peculiar nature of the case.

2.35 The Committee note that during the course of Calling Attention a motion regarding problems being faced by Producers of Raw Silk the then Minister of Textiles gave an assurance that the proposal to restore the earlier import duty rate was under consideration of the Government. Thereafter, a question regarding Import of Cotton and Silk was asked on 02 August 2002 in which information regarding increase in the import duty on Cotton and China Silk Yarn to protect the domestic cotton and silk industries was sought. In reply, it was inter-alia stated by the Government that the matter regarding increase in import duty was under consideration. The reply was treated as an assurance. However the Ministry requested to drop the assurance on the ground that the issue of raising or lowering importy duty on various articles is considered every time the exercise to prepare annual budget for the financial year is undertaken by the Government. The decision of the Government finds manifestation in the annual budget announced by the Finance Minister during the Budget Session of Parliament. Committee considered the request at their sitting held on 31 January 2006 and having been satisfied by the reasons advanced by the Ministry decided to drop the assurance.

[v] SHIFTING OF MOSQUE FROM KOLKATTA AIRPORT

- 2.36 On 18 November 2002, Dr. V. Saroja, M.P., addressed the following Unstarred Question No.86 to the Minister of Civil Aviation:-
 - "(a) whether the Government propose to shift the old mosque situated inside the Netaji Subhas Chandra Bose Airport at Kolkata in view of increased security threats to airports;
 - (b) if so, the details thereof; and
 - (c) the steps being taken by Airports Authority of India to provide alternative land for its relocation?"
- 2.37 In reply, the then Minister of State in the Ministry of Civil Aviation (Shri Shripad Yesso Naik) stated as follows:-
 - "(a) & (b):The mosque in question is falling under the developmental plan and extension of 2nd runway. Hence Airports Authority of India (AAI) has taken up with Government of West Bengal for shifting of mosque.
 - (c) Decision regarding the shifting of the mosque is yet to be taken, including on whether, the mosque will be re-located on AAI land or on the land belonging to State Government."
- 2.38 The reply to the above question was treated as an assurance and was required to be fulfilled by the Ministry of Civil Aviation within three months of the date of the reply *i.e.* by 17 February 2003. However the assurance could not be fulfilled and the Ministry has sought extension of time till the dropping of the assurance.

- 2.39 The Ministry of Civil Aviation <u>vide</u> O.M.No.H.11016/32/2002-SS dated 6 December 2005 requested for dropping of the assurance on the grounds that the assurance given relates to a very sensitive issue viz. Shifting of Mosque. The Ministry stated that it may not be possible to indicate any definite time frame to fulfill the assurance.
- 2.40 In view of the above, the Ministry requested that the above mentioned assurance may be dropped.

2.41 A question was asked on 18 November 2002 regarding Shifting of Mosque from Kolkatta Airport and steps taken by Airports Authority of India to provide alternative land for its relocation. In reply, it was stated that Airports Authority of India had taken up the matter with the State Government of West Bengal and decision regarding shifting of Mosque was yet to be taken. The reply was construed as an assurance. However the Ministry requested for dropping of the assurance on the ground that it relates to a very sensitive issue viz. Shifting of Mosque. The Committee considered the request at their sitting held on 31 January 2006 and having been satisfied by the reasons advanced by the Ministry, decided to drop the assurance.

[vi] INVESTMENT FACILITATION FUND

- 2.42 On 7 March 2003, Shri A.P. Jithender Reddy, M.P., addressed the following Unstarred Question No.2633 to the Minister of Finance and Company Affairs:-
 - "(a) whether the Government have decided to set up an Investment Facilitation Fund to provide assistance to those States which need assistance in modifying policies and procedures for promoting foreign and domestic investment;
 - (b) if so, the details thereof; and
 - (c) the time by which a final decision is expected?"
- 2.43 In reply, the then Minister of State in the Ministry of Finance and Company Affairs (Shri Anandrao V. Adsul) stated as follows:-
 - "(a) to (c): The Steering Committee on Foreign Direct Investment set up by the Planning Commission has recommended, inter-alia, that an Investment Facilitation Fund can be set up to provide assistance to those States which need assistance in modifying policies and procedures for promoting foreign and domestic investment. The Steering Committee felt that the proposed Fund could have two components: technical assistance and financial assistance, the latter contingent on State specific reforms. The recommendation is under examination of the Government."
- 2.44 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Finance and Company Affairs within three months of the date of the reply <u>i.e.</u> by 6 June 2003. However the assurance was transferred to the Ministry of Commerce and Industry as it pertained to that Ministry. The

assurance could not be fulfilled and the Ministry has sought extension of time upto 7 March 2006.

- 2.45 The Ministry of Commerce and Industry <u>vide</u> O.M.No.3/4/2001-FC dated 12 December 2005 with the approval of the Minister requested for dropping of the assurance on the grounds that the Group of Ministers on FDI while considering the recommendations of the report only recommended review of the FDI caps in four sectors and no recommendation was made on the setting up of Investment Facilitation Fund.
- 2.46 In view of the above, the Ministry requested that the assurance may kindly be dropped from the list of assurances.

2.47 The Committee note that a question was asked regarding Investment Facilitation Fund on 07 March 2003. In reply it was stated that the Steering Committee on Foreign Direct Investment set up by the Planning Commission recommended to provide assistance to those States which need assistance in modifying policies and procedures for promoting foreign and domestic investment. It was also stated that the recommendation was under examination of the Government. The reply was construed as an assurance but the Ministry requested for deletion of the same on the grounds that the Group of Ministers on FDI while considering the recommendations of the report only recommended review of the FDI caps in four sectors and no recommendation was made on the setting up of Investment Facilitation Fund. The Committee at their sitting held on 31 January 2006 considered the request of the Ministry and having satisfied with the reasons advanced by the Ministry acceded to the request of the Ministry to drop the assurance.

[vii] AGREEMENT BETWEEN FAIPT AND DIRECTORS MARKETING OF PSU

2.48 On 10 April 2003, Shri Kishan Singh Sangwan, MP addressed the following USQ No. 4202 to the Minister of Petroleum and Natural Gas:-

Will the Minister of Petroleum and Natural Gas be pleased to refer to Unstarred Question No.7581 answered on May 16, 2002 and state:

- "(a) whether the Government are aware of this fact that the agreement between FAIPT and directors marketing of PSUs on August 17, 2001 was consisting some illegal clauses;
- (b) if so, the details of illegal clauses and the reasons for agreeing to these illegal clauses;
- (c) whether the said agreement was made with the consent and approval of the Government;
- (d) if so, whether the Government has taken some decision to terminate this agreement; and
- (e) if so, by when and under what circumstances this decision was taken and details of the benefit to the general public due to the termination of the agreement?"
- 2.49 In reply to the above question, the then Minister of State in the Ministry of Petroleum & Natural Gas (Shri Santosh Kumar Gangwar) stated as follows:-
 - "(a) to (e): No, Sir. Discussions were held between Directors (Marketing) of Oil Marketing Companies (OMCs) and the representatives of Federation of All India Petroleum Traders (FAIPT) on 17.08.2001, in which it was agreed that a Joint Committee will look into all aspects of quality and quantity issues relating to retail sales of petroleum products. Pursuant to this, a meeting between Directors (Marketing) of OMCs and representatives of

FAIPT was held on 21.10.2002 and 17.02.2003. The issues raised by FAIPT are under discussion."

- 2.50 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Petroleum and Natural Gas within three months of the date of reply i.e. by 9 July 2003. As the Ministry could not fulfil the assurance within the stipulated time, they have sought extension of time from time to time.

 2.51 The Ministry of Petroleum and Natural Gas vide their O.M. No. P-38016/18/2003-Dist. dated 19 October 2005 requested for dropping of the said assurance on grounds that minutes of the meeting held between the Federation of All India petroleum Traders (FAIPT) and Directors (Marketing) of Oil Companies on 17.08.2001 was signed by all the participants. It may be mentioned that this meeting was held between Oil Industry and FAIPT representatives with a view to resolving various issue and to persuade FAIPT to withdraw the agitation of "No purchase/No sale" from 20.08.2001. During the various deliberations with FAIPT, an important issue raised was regarding enhancement of commission, which was substantially enhanced in November 2001.
- 2.52 It was made clear to FAIPT that the issues covering Marketing Discipline Guidelines approved by Government would not be looked into as per the directives of the Ministry of Petroleum and Natural Gas. However, the issues relating to adulteration, sampling procedure for MS/HSD/Lubes and short delivery, etc. would be looked into. A Sub-Committee of General Managers was constituted to discuss with FAIPT the issues beyond the purview of Marketing Discipline Guidelines. The sub-Committee have met the FAIPT representatives and held discussions. FAIPT

and Other Associations have been making representations on various issues to this Ministry & also to Public Sector Oil Marketing Companies (OMCs).

- 2.53 Further, meetings are also held by Minister(P & NG) with representatives of FAIPT to address their grievances. Recently, Secretary (P&NG) had also convened a meeting with representatives of FAIPT on 04.04.2005 to hear/consider various issues put forth by FAIPT especially on Dealer's Commission. OMCs also convene meetings with FAIPT/Dealers from time to time to alleviate their grievances. This is an ongoing process.
- 2.54 In view of the above, the Ministry requested the Committee on Government Assurances (Lok Sabha) to drop the assurance. The Ministry sought extension of time upto 9 April 2006. The Ministry also stated that it had the approval of Minister of Petroleum & Natural Gas.

2.55 The Committee note that a question was asked on 10 April 2003 regarding agreement between Federation of All India Petroleum Traders (FAIPT) and Directors (Marketing) of PSUs. The question inter-alia sought information regarding Agreement between FAIPT and Directors (Marketing) of PSUs. In reply it was inter-alia stated that the issues raised by the FAIPT were under consideration. This reply was treated as an assurance. However the Ministry requested to drop it on the ground that the minutes of the meeting held on 17 August 2001 between FAIPT and Directors (Marketing) of Oil Companies was signed by all the participants and the meeting was held with a view to resolving various issues and to persuade the FAIPT to withdraw the agitation of "No purchase/No sale" from 20 August 2001. The Committee considered the request of the Ministry at their sitting held on 31 January 2006 and decided to drop the assurance. The Committee are of the view that the matter is to be sorted out between FAIPT and the Ministry of Petroleum and Natural Gas for which a Grievances Redressal Machinery is also available.

[viii] REHABILITATION OF OUSTEES

- 2.56 On 19 August, 2004, Shri Asaduddin Owaisi, M.P., addressed the following Unstarred Question No.3337 to the Minister of Defence:-
 - "(a) whether it is a fact that an area of 100 meters around DRDL boundary has to be got vacated in view of the sensitive nature of installation;
 - (b) whether some encroachment are to be vacated from this area;
 - (c) whether Andhra Pradesh has requested Ministry of Defence to bear the rehabilitation and resettlement cost of affected persons residing in the vicinity of DRDL at Kanchanbagh, Hyderabad; and
 - (d) if so, the action taken or being taken by the Union Government on the request of Andhra Pradesh Government?"
- 2.57 In reply, the Minister of Defence (Shri Pranab Mukherjee) stated as follows:-
 - "(a) to (c) Yes, Sir.
 - (d) The detailed proposal of evacuation and rehabilitation from the Government of Andhra Pradesh is awaited."
- 2.58 The reply to the above question was treated as an assurance and was required to be fulfilled by the Ministry of Defence within three months of the date of the reply *i.e.* 19 November, 2004. However the assurance has not been fulfilled so far and the Ministry has sought extension of time.
- 2.59 The Ministry of Defence <u>vide</u> D.O.No.DRDO/DPC/01/30103/M/23/2005 dated 13 October 2005 requested for dropping of the assurance on the grounds

that the Ministry had repeatedly requested the Government of Andhra Pradesh to workout the cost of rehabilitation and resettlement of affected people and furnish the detail so that the compensation may be given to the Oustees by DRDO and further evacuation work could be completed by Andhra Pradesh Government. There is no response from the latter. It is unlikely that in the near future also the Government of Andhra Pradesh will do anything in this regard. As the subject matter of evacuation of occupants from the said land does not fall under the purview of Ministry of Defence, the Ministry is not in a position to fulfill this assurance.

2.60 In view of the above, the Ministry requested that the assurance may kindly be dropped.

2.61 A question was asked on 19 August 2004 regarding Rehabilitation of Oustees. The question also sought information inter-alia about cost of rehabilitation and resettlement of affected persons and the action taken by the Union Government. In reply, it was stated that the proposal, of evacuation and rehabilitation, from the detailed Government of Andhra Pradesh was awaited. This reply was treated as an assurance, but the Ministry requested for deletion of the same on the ground that the State Government of Andhra Pradesh was requested repeatedly to work out the cost of rehabilitation and resettlement of affected people and furnish the details so that the compensation may be given to the Oustees. However, no reply has been received from the State Government. Accordingly the Committee at their sitting held on 31 January 2006 considered the request and acceded to the request of the Ministry to drop the assurance.

[ix] APPOINTMENT OF LOKAYUKT

- 2.62 On 1 December 2004, Shri Brajesh Pathak, MP addressed the following USQ No. 128 to the Prime Minister:-
 - "(a) whether the Union Government has issued gudelines to appoint "Lokayukt" to all the States;
 - (b) if so, the details of the States which have appointed and not appointed "Lokayukt" till date;
 - (c) whether His Excellency President in the "Eighth All India Conference of Indian Lokayukt" has emphasized to bring about transparency in public life, strengthening the institution of Lokayukt to check the corruption and to bring all high constitutional offices including President under the purview of this institution;
 - (d) if so, the reaction of the Government thereto;
 - (e) whether the Government has taken or propose to take effective steps in this regard; and
 - (f) if so, the details thereof?"
- 2.63 In reply to the above question, the then Minister of State in the Ministry of Personnel, Public Grievances and pensions and Minister of State in the Ministry of Parliamentary Affairs (Shri Suresh Pachouri) stated as follows:-
 - "(a): No guidelines have been issued since the appointment of the Lokayuktas is the concern of the respective State Governments.
 - (b) This information is not maintained centrally.
 - (c) to (f): The information is being collected and will be laid on the table of the House."

2.64 The above reply was treated as an assurance and was required to be fulfilled by the Ministry of Personnel, Public Grievances and Pensions within three months of the date of reply i.e. by 28 February 2005 but the assurance could not be fulfilled.

2.65 The Ministry of Personnel, Public Grievances and Pensions vide their O.M. No. 410/3/2004-AVD.IV. dated 8 September 2005 requested for dropping of the said assurance on the grounds that the information has been received from the President's Secretariat who have quoted a well settled convention and usage as laid out in Kaul and Shakhder's 'Practice and Procedure of Parliament (page 464, 5th Edition) which are reproduced below:-

"A question relating to the Head of the State is not answered in the House: Questions relating to the Head of the State are not ordinarily admitted for answer on the floor of the House. If question is admissible, the requisite information may be obtained from the Secretary to the President and passed on to the Member. In this category fall questions which seek information of purely factual character e.g. visits of the President abroad, the President's Estate and the expenditure incurred thereon. A question regarding appointment of Governors, directions given to Governors by the President on the advice of the Prime Minister to resign, or the President's prerogative in respect of mercy petitions is inadmissible, because apart from the constitutional provisions, they also seek to bring in a discussion on the conduct of the President. However, a question seeking factual information regarding such matter may be admitted.

Since the Governors are Heads of respective States, questions about them or containing or implying reflections on them or regarding their discretionary powers and guidelines specifying the areas of discretion are likewise not admitted. Questions can, however, be asked if the Governor is functioning in a State which is under the President's rule under article 356. Questions relating to the guidelines issued to the Governors by the State Government in regard to making nominations to the State Legislature Councils and regarding consultations with Chief Ministers before appointment of Governors may also be admitted to elicit factual information.

Question regarding discussions held between Heads of States, questions involving expression of opinion on a statement made by the Head of another State and questions regarding diplomatic negotiations, correspondence or informal talks are not ordinarily admitted".

2.66 The Ministry further stated that according to the President's Secretariat, the aforesaid question does not fall in the category of admissible question and accordingly requested the Committee on Government Assurances to drop the assurance. It was also stated that it had the approval of MOS (PP).

2.67 A question was asked on 01 December 2004 regarding

appointment of Lokayukt. The question also sought information inter-

alia about emphasis by the President in the Eighth All India Conference

in Lokayukts in India about transparency in public life and the reaction

of the Government and also the steps taken by the Government. In

reply, it was stated that appointment of Lokayuktas is the concern of the

respective State Governments. It was also stated that information

regarding action taken by the Government was being collected and the

same will be laid on the Table of the House after its collection. This reply

was treated as an assurance. However, the Ministry requested the

Committee to drop the assurance inter-alia on the ground that the

question related to the Head of the State. Accordingly, the Committee at

their sitting held on 31 January 2006 considered the request and

acceded to the request of the Ministry to drop the assurance.

NEW DELHI;

(HARIN PATHAK) CHAIRMAN

27 February, 2006

COMMITTEE ON GOVERNMENT ASSURANCES

7 Phalguna, 1927 (Saka)

- 67 -

MINUTES SIXTH SITTING

Minutes of the sitting of the Committee on Government Assurances (2005-2006) held on 31 January 2006 in Committee Room No. '62', Parliament House, New Delhi.

The Committee sat on Tuesday 31 January 2006 from 1100 hours to 1200 hours.

PRESENT

Shri Harin Pathak - *Chairman*

<u>Members</u>

- 2. Shri Anandrao Vithoba Adsul
- 3. Shri Biren Singh Engti
- 4. Shri Sunil Khan
- 5. Shri Kailash Meghwal
- 6. Shri M. Shivanna
- 7. Shri Kailash Nath Singh Yadav

Secretariat

- 1. Shri P. Sreedharan Joint Secretary
- 2. Shri T.K. Mukherjee Director
- 3. Shri K. Jena Under Secretary
- 2. At the outset, the Chairman welcomed the Members and wished them a happy and prosperous new year 2006 and also apprised about the agenda of the sitting. Thereafter, the Committee took up the Draft Ninth Report regarding

Amendment of Foreign Contribution (Regulation) Act, 1976, Amendment of Protection of Human Rights Act, 1993 and Activities of Pakistani and Bangladeshi Nationals for consideration. After some discussion the Committee adopted the same and authorized the Chairman to present the same to the House.

3. The Committee then considered the following fifteen memoranda:-

Memorandum No.54 Request for dropping of assurance given on 20 December 1993 in reply to USQ No. 2664 regarding 'Postal Advisory Committee in Bihar.'

The Committee considered the above memorandum and noted that at present a number of forums/avenues are available for attending to the customers needs besides organisation of Dak Adalats, Pension Adalats, Speed Post Meets, PLI Melas, etc., to interact with the officers of the Department. The Department is thus subjected to public scrutiny from various angles. However, the Committee were of the view that there will be an effective inter action between the Department and the general public through Postal Advisory Committees which in turn will facilitate redressal of the grievances of the public. The Committee therefore, decided not to drop the assurance.

Memorandum No.55 Request for dropping of assurance given on 8 March 1999 in reply to USQ No. 1728 regarding 'Renewable Energy Policy'.

The Committee considered the above memorandum and noted that under the Electricity Act, 2003 a national electricity policy and national tariff policy which should cover draft Renewable Energy Policy as well is required to be prepared. The Committee were of the view that the dissolution of Group of Ministers (GOM) which were looking into the subject earlier, consequent upon the formation of new Government is not a valid ground for dropping of the assurance. They therefore, desired that the policy should be finalised at the earliest and accordingly decided not to drop the assurance.

Memorandum No.56 Request for dropping of assurance given on 22 November 2000 in reply to USQ No. 470 regarding 'Foreign Tours by Ministers'.

After considering the above memorandum, the Committee noted that the second implementation report has been submitted partially by the Ministry because the information is still awaited from 3 more Ministries/Departments of Government of India despite 14 reminders till date. Moreover the question is omnibus in nature and the time gap is more than 5 years. The Committee, therefore, decided to drop the assurance.

Memorandum No.57

Request for dropping of assurances given on 23

November 2000 & 6 December 2004 in reply to

USQ Nos. 702 & 718 respectively regarding

'Inclusion of Tourism Industry in Union List.'

The Committee considered the above memorandum and noted that if Tourism is put in the Concurrent List of the 7th Schedule of the Constitution, it may not be possible for the Ministry of Tourism to legislate on issues which are under the administrative powers of other Ministries/State Governments. Moreover at present even though Tourism is not placed in any "List" the Central Government is competent to legislate on any matter on the subject under the residuary powers. The Committee, therefore, decided to drop the assurance.

Memorandum No.58

Request for dropping of assurance given on 20

August 2001 in reply to Unstarred Question No.

3996 regarding 'Setting up of National Rowing Academy'.

After considering the above memorandum, the Committee noted that the State Government of Andhra Pradesh does not seem to be fulfilling he basic requirement of the scheme for allotment of land and building free of cost to Sports Authority of India (SAI). The Committee therefore decided to drop the assurance.

Memorandum No.59 Request for dropping of assurance given on 27

August 2001 in reply to Unstarred Question No.

4989 regarding 'Cheating for Dope'.

The Committee considered the above memorandum and noted that information in respect of sports persons of the country found guilty in regard to cheating for dope used in national/International meets from the year 1990 onwards has to be collected. The Committee were of the view that since such cases were widely known and may not be sizable in number, they can be identified from the records easily. The Committee, therefore, desired that the information should be collected and furnished to the Committee and accordingly decided not to drop the assurance.

Memorandum No.60

Request for dropping assurance given on 7 March 2002 in reply to SQ No. 110 regarding 'Allotment of LPG Agencies/Petrol Pumps to Widows in ITBP and BSF'.

The Committee considered the above memorandum and noted that out of more than 1800 applications received by the Government, only 50 dealerships/distributorships could be allotted. Out of these 50 allottees, only four allottees were the widows of the deceased BSF personnel and one, the widow of a deceased ITBP employee. Recognising the seriousness of the matter, the Committee felt that the Widows of the ITBP and BSF personnel should get their proper dues and their cases may be considered sympathetically. The Committee, therefore, decided not to drop the assurance.

Memorandum No.61

Request for dropping assurance given on 17 July 2002 during Calling Attention regarding 'Problems being faced by Producers of Raw Silk and assurance given on 2 August 2002 in reply to USQ No.2925 regarding 'Import of Cotton and Silk'.

Having considered the above memorandum, the Committee observed that the issue of raising or lowering import duty on various articles is considered every time the exercise to prepare annual budget for the financial year is undertaken by the Government duty and falls within the purview of Ministry of Finance. The Committee, therefore, decided to drop the assurance.

Memorandum No.62

Request for dropping of assurance given on 18 November 2002 in reply to Unstarred Question No. 86 regarding 'Shifting of Mosque from Kolkatta Airport.

Having considered the above memorandum, and the position explained by the Ministry of Civil Aviation, the Committee decided to drop the assurance. **Memorandum No.63**

Request for dropping of assurances given on 13 March 2003 and 22 July 2004 in reply to Unstarred Question Nos. 3272 and 2112 respectively regarding 'Construction of National War Memorial and War Museum.

The Committee considered the above memorandum and noted that the Government proposed to set up National War Memorial to commemorate those who have laid down their lives for the country. The Committee accepted the view of the Ministry that a number of agencies are involved in the clearance of the project. However, the Committee were of the view that it is the duty of the Government to sort out the matter for setting up of the National War Memorial. The Committee, therefore, decided not to drop the assurance.

Memorandum No.64 Request for dropping of assurance given on 7 March 2003 in reply to Unstarred Question No. 2633 regarding 'Investment Facilitation Fund'.

The Committee considered the above memorandum and noted that the Group of Ministers on FDI while considering the recommendations of the report only recommended review of the FDI caps in four sectors and no recommendation was made on the setting up of Investment Facilitation Fund. The Committee, therefore, decided to drop the assurance.

Memorandum No.65

Request for dropping of assurance given on 10

April 2003 in reply to USQ No. 4202 regarding

'Agreement between Faipt and Directors

Marketing of PSU'.

After considering the above memorandum, the Committee were of the view that it is a matter to be sorted out between FAIPT and the Ministry of Petroleum

and Natural Gas for which Grievance Redressal machinery was also available. The Committee, therefore, decided to drop the assurance.

Memorandum No.66

Request for dropping of assurance given on 19
August 2004 in reply to Unstarred Question No.
3337 regarding 'Rehabilitation of Oustees'.

After considering the above memorandum, the Committee noted that despite repeated requests the Government of Andhara Pradesh has not furnished the cost of rehabilitation and resettlement of affected people. Moreover the matter of evacuation of occupants from the said land does not fall under the purview of the Ministry of Defence. The Committee, therefore, decided to drop the assurance.

Memorandum No.67 Request for dropping of assurance given on 1

December 2004 in reply to USQ No. 128

regarding 'Appointment of Lokayukt'.

After considering the above memorandum, the Committee decided to drop the assurance.

Memorandum No.68 Request for dropping of assurance given on 6
May 2005 in reply to USQ No. 6264 regarding
'Donation Racket in Public Schools.'

After considering the above memorandum and keeping in view the socioeconomic repercussions of the actions of certain such educational institutions, the Committee, therefore, decided not to drop the assurance.

The Committee then adjourned.