

**COMMITTEE
ON
GOVERNMENT ASSURANCES
(1990-91)**

(NINTH LOK SABHA)

EIGHTH REPORT

(Presented on * 4 JAN 1991



**LOK SABHA SECRETARIAT
NEW DELHI**

November, 1990/ Kartika 1912 (Saka)

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LOK SABHA
COMMITTEE ON GOVERNMENT ASSURANCES

Corrigenda to Eighth Report, Committee on
Government Assurances (1990-91).

(Ninth Lok Sabha)

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>Correction</u>
(iii)	3 of footnote	2	<u>for</u> 'Thunga n' <u>read</u> 'Thungen'
(2	1	3	<u>for</u> 'lauchng' <u>read</u> 'launching'
4	2.5	1	<u>for</u> 'Question' <u>read</u> 'Questions'
8	3.7	1	<u>for</u> '(1)' <u>read</u> '(i)'
8	Heading (iv)		<u>for</u> 'Nnclear' <u>read</u> 'Nuclear'
10	4.8	4	<u>Delete</u> line 4 and <u>read</u> it as 'these three assurances on the following grounds:-'
11	4.11	9	<u>read</u> 'in' <u>for</u> 'is'
16	8.2	6	ut '.' after 20.6.89
19	Appendix I	Last	<u>for</u> '99' <u>read</u> '99'

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COMPOSITION OF THE COMMITTEE ON GOVERNMENT
ASSURANCES*

(1990-91)

Dr. Vijay Kumar Malhotra—*Chairman*

2. Smt. Subhasini Ali
3. Shri Het Ram
4. Shri Kamal Nath
5. Shri Mahabir Prasad
6. Dr. Mahadeepak Singh Shakya
7. Shri Haribhau Shankar Mahale
- ***8. Shri V. Krishna Rao
9. Shri Kusuma Krishnamurthy
- ***10. Dr. P. Vallal Peruman
11. Shri Amar Roy Pradhan
- ***12. Shri Sanford Marak
13. Shri C. Srinivasan
- £14. Shri Ramji Lal Suman
- **15. Shri Surya Narain Yadav

SECRETARIAT

Shri R. C. Bhardwaj—*Joint Secretary*

Shri G. C. Hallan—*Director*

Shri A. N. Chopra—*Under Secretary*

*The Committee was nominated by the Speaker w.e.f. January 19, 1990 *vide* para No. 125 of Lok Sabha Bulletin Part-II dated 19 January, 1990.

**Nominated by Speaker w.e.f. 17 July, 1990 *vice* Shri Bhajaman Behera ceased to be Member of the Committee consequent on his appointment as Minister of State w.e.f. 21 April, 1990, *vide* para No. 611 of Lok Sabha Bulletin Part-II dated 17 July, 1990.

***Nominated by Speaker w.e.f. 8 August, 1990 *vice* Sarvashr J. P. Agarwal, Dr. Debi Prosad Paul and P. K. Thungan resigned from the membership of the Committee on Government Assurances, w.e.f. 7 August 1990 *vide* para No. 680 of Lok Sabha Bulletin Part-II dated 8 August, 1990.

Ceased to be a Member of the Committee w.e.f. 21-11-1991 consequent upon his appointment as Minister of State in the Union Council of Ministers.

INTRODUCTION

1. the Chairman of the Committee on Government Assurances, as authorised by the Committee, do present on their behalf, this Eighth Report of the Committee on Government Assurances.

2. The Committee (1990-91) were constituted on 19 January, 1990.

3. The Committee (1990-91), at their sittings held on 11 June, 1990 and 29 June, 1990, considered requests for dropping of assurances. At their sitting held on 13 November, 1990, the Committee considered and adopted the draft Eighth Report.

4. The Minutes of the aforesaid sittings of the Committee form part of the Report.

5. The conclusions/observations of the Committee are contained in the succeeding chapters.

NEW DELHI;

DR. VIJAY KUMAR MALHOTRA,
Chairman,
Committee on Government Assurances.

13 November, 1990.

22 Kartika, 1912 (*Saka*).

REPORT

REQUESTS FOR DROPPING OF ASSURANCES

(i)

Fraudulent deal in local supplies for MES, Allahabad

1.1. On 8 May, 1987, Sarvashri Mohd. Mahfooz Ali Khan and Sanat Kumar Mandal, M.Ps., addressed the following Unstarred Question No. 9672 to the Minister of Defence:—

- “(a) whether it is a fact that fraudulent deal in local supplies for Military Engineering Service, Allahabad involving Rs. 20 crores have recently come to light;
- (b) if so, the details thereof;
- (c) whether Government have made any inquiry into the matter; and
- (d) if so, the outcome thereof stating the action taken/proposed to be taken by Government against the officers found guilty and the firm/contractors found involved in the fraud?”

1.2. In reply to the above question, the then Minister of State in the Ministry of Defence (Shri Arun Singh) stated as follows:—

“(a) to (d): The Ministry is not aware of any fraudulent deal involving Rs. 20 crores in MES, Allahabad. However, a case of alleged irregularities in some supply orders of Commander Works Engineer, Allahabad registered by Central Bureau of Investigation on 25-9-1986 is under investigation.”

1.3. The above reply to the question was treated as an assurance which was required to be implemented by the Ministry of Defence by 7 August, 1987.

1.4. On 6 June, 1990, the Minister of State in the Ministry of Defence approached the Committee vide D.O. letter No. RRM/1968-8/90 for the dropping of the assurance on the following grounds:—

“The CBI in their report recommended banning of business with 4 firms and prosecution of 13 persons including 5 Service Officers, 4 Civilians Gazetted Officers and 4 proprietors of different firms. The report of the CBI is being

examined in consultation with Army Headquarters and Central Vigilance Commission. Since completion of all the formalities like launching the prosecution in the Court of law is a time consuming task, our request for dropping the assurance may kindly be accepted."

1.5. The Committee considered the request of the Ministry of Defence for the dropping of the aforesaid assurance at their sitting held on 29 June, 1990 and decided not to accede to the request. The decision of the Committee was, accordingly, communicated to the Ministry.

1.6. The Ministry then sought extension of time upto 30 October, 1990 to fulfil the assurance on the following grounds:—

"The advice of the Central Vigilance Commission on the Report of the Central Bureau of Investigation has been received. A case has been taken up with the CBI for their advice as to whether Govt. orders for launching prosecution in the Court should be issued against the blameworthy persons individually or collectively and as to whether Govt. orders are required to be issued in respect of retired Army personnel. As such the issue of Govt. orders for launching prosecution in the Court may take some time."

The assurance is yet to be implemented.

1.7 The Committee note that the Central Bureau of Investigation registered a case of alleged irregularities in some supply orders of Commander Works Engineer, Allahabad on 25 September, 1986 and even after a lapse of four years, the Government have not been able to finalise their action to launch a prosecution in the Court in the matter. The Committee feel that the Government are frittering away their valuable time indulging in prolonged consultations with various agencies for their advice in the matter. The Committee consider the delay in finalising the matter a sad commentary on the tardy functioning of the Government. The Committee recommend that the Government should expedite their decision in the matter without further loss of time and fulfil the assurance in the forthcoming winter session of Lok Sabha.

(ii)

Implementation of Recommendations of Jaswant Singh Commission

2.1. On 2 March, 1968 S/Shri Harish Rawat and Jagdish Awasthi, M.Ps. addressed the following Unstarred Question No. 1419 to the Minister of Law and Justice:—

“Will the Minister of Law and Justice be pleased to refer to the reply given on 18 November, 1987 to Unstarred Question No. 1724 regarding setting up of High Court Benches in State and state:—

- (a) when Union Government addressed to the Uttar Pradesh Government regarding specific recommendations made by the Jaswant Singh Commission;
- (b) whether the Uttar Pradesh Government has since sent its reply; and
- (c) if so, the decision taken in this regard with details thereof?”

2.2. In reply to the above question, the then Minister of State in the Ministry of Law and Justice (Shri H. R. Bhardwaj) stated as follows:

- “(a) and (b): The specific recommendations of the Jaswant Singh Commission relating to the establishment of Benches of Allahabad High Court were referred to the Chief Minister of Uttar Pradesh on 23-10-86. A reply dated 26-6-87 was received but this did not give definite views of the State Government in the matter. The Chief Minister of Uttar Pradesh was again addressed on 25-7-87 and was requested to give the definite views and proposals of the State Government having regard to all aspects of the matter. No further communication from the State Government has been received.
- (c) A decision in the matter can be taken by the Central Government only on receipt of specific complete proposals from the State Government.”

2.3. On 4 November, 1988, Shri Harish Rawat, M.P. addressed the following Unstarred Question No. 332 to the Minister of Law and Justice:—

- “(a) whether there is any proposal to open a Circuit Bench of Allahabad High Court in Dehradun and Agra this year;
- (b) if not, whether Government have negatived the Report of Jaswant Singh Commission finally; and

- (c) if not, the difficulties in accepting and implementing the report of Jaswant Singh Commission and the steps being taken by Government to remove them?"

2.4. In reply to the above question, the then Minister of State in the Ministry of Law and Justice (Shri H. R. Bhardwaj) stated as follows:—

“(a) No, Sir,

(b) No, Sir,

- (c) The specific recommendations of the Jaswant Singh Commission relating to establishment of Benches of Allahabad High Court were referred to the Chief Minister of Uttar Pradesh on 23-10-1986. A reply dated 26-6-87 was received but this did not give the definite views of the State Government in the matter. The Chief Minister of Uttar Pradesh was again addressed on 25-7-87 and requested to give the definite views and proposals of the State Government in consultation with the Chief Justice.

A decision in the matter can be taken by the Central Government only on receipt of a specific, complete proposal from the State Government.”

2.5. The replies to the above Question were treated as assurances and were required to be fulfilled within three months of the date of reply i.e. by 1 June, 1988 and 3 February, 1989, respectively.

2.6. On 21 February, 1990, the Ministry of Law and Justice approached the Committee through the Ministry of Parliamentary Affairs vide their U.O. Note Nos. X/LJ(3) USQ 1419-LS/88 and XII/LJ(2) USQ. 332-LS/88 for the dropping of the assurance on the grounds indicated below:—

“The specific recommendations of the Jaswant Singh Commission relating to establishment of Benches of the Allahabad High Court were referred to the Chief Minister of Uttar Pradesh on 23-10-86 for his views and comments in consultation with the Chief Justice of the Allahabad High Court and the Governor of Uttar Pradesh. A reply dated 26-6-87 was received, but this did not give the definite views of the State Government in the matter, nor did it contain the views of the Chief Justice. The Chief Minister of Uttar Pradesh was again addressed on 25-7-87 and requested to give the definite views and proposals of the State Government in consultation with the

Chief Justice having regard to all aspects of the matter, specially the location of the new Bench and its territorial jurisdiction. The Chief Minister was reminded on 2-9-1988.

An interim reply dated 13-10-88 was received from the Chief Minister of Uttar Pradesh saying that steps were being taken for ascertaining the views of the Chief Justice of Allahabad High Court and the Government of the State, and the views of the State Government would thereafter be communicated in due course.

Another letter dated 25-1-89 was received from the Chief Minister in which he mentioned that the Chief Justice of Allahabad High Court had not received a copy of the Jaswant Singh Commission's Report, which has been sent to him with this Department's letter dated 23-10-86. The Chief Minister requested that a copy of the Report may be sent to the Chief Justice so that his views could be obtained on the subject.

A copy of the Jaswant Singh Commission's Report had been sent to the former Chief Justice of the Allahabad High Court in October, 1986. Another copy was sent to the Registrar, Allahabad High Court for the use of the Chief Justice in February, 1989.

Further communication from the State Government is awaited.

Action can be taken by the Government of India only after receipt of the definite views and comments on the specific recommendations of the Jaswant Singh Commission together with a specific, complete proposal from the Government of Uttar Pradesh. At present, no action is pending on the part of the Government of India on the Commission's recommendations.

It may be mentioned that there have been agitations and strikes by lawyers and others in connection with the establishment of a Bench of the Allahabad High Court for the Western districts of Uttar Pradesh, some in favour of it and other against it. Writ petitions have also been filed and are pending in the Allahabad High Court and the Supreme Court in this regard."

2.7. The Committee considered the request of the Ministry of Law and Justice at their sitting held on 11 June, 1990 for the dropping of the two assurances and decided not to accede to the request of the Ministry, for dropping the assurance. The decision of the Committee was, accordingly, conveyed to the Ministry.

2.8. The Ministry then sought extension of time upto 2 September, 1990 and 4 November, 1990 respectively on the following grounds:—

“A specific and complete proposal from the Government of Uttar Pradesh in the matter of establishment of Benches of Allahabad High Court (including their location and territorial jurisdiction) has still not been received.”

2.9. The assurances are yet to be fulfilled.

2.10. The Committee note that the question of setting up of High Court Benches in Uttar Pradesh has been hanging fire since October, 1986 and the Government have not been able to make any headway in the matter even after a lapse of four years. The Committee recommend that the matter should be seriously pursued with the State Government of Uttar Pradesh so as to arrive at some conclusive decision in the matter of setting up of High Court Benches in Uttar Pradesh expeditiously.

(iii)

Investigations into Bofors Gun Deal

3.1. On 27 July, 1988, Prof. Madhu Dandavate and Shri Sharad Dighe, MPs addressed the following Starred Question No. 15 to the Minister of Defence:—

- “(a) whether the attention of the Government has been drawn to “The Hindu” of June 22, 1988 publishing documents regarding alleged payment of commissions in Howitzer deal; ”
- (b) if so, whether Government have made inquiry into the documents published in “The Hindu”;
- (c) if so, the findings of the inquiry; and
- (d) the action taken against those found guilty?”

3.2. In reply to the above question the then Minister of Defence (Shri K. C. Pant) stated as follows:

- (a) to (d) "The Government has seen the material published in 'The Hindu' dated 22nd June, 1988 purporting to relate to agreements concluded by M/s. Bofors with certain foreign and Indian firms and the alleged payments made by them to these firms. Necessary investigations into the published material have been ordered by the Government. The course of further action will be based on the results of these investigations."

3.3. On 27 February, 1988, Dr. A. K. Patel, M.P. addressed the following Unstarred Question No. 605 to the Minister of Defence:—

- "(a) the tasks entrusted to CBI for investigation in connection with the documents published by 'The Hindu' about the Howitzer gun deal with Bofors; and
(b) the details of the findings and the follow-up action taken in this regard".

3.4. In reply to the above question, the then Minister of Defence (Shr K. C. Pant) stated as follows:—

- "(a) the following tasks were entrusted to the CBI in the matter:—
- (i) To investigate the authenticity of documents published in the Hindu.
 - (ii) to establish the identities of recipients of the alleged payments.
 - (iii) To ascertain whether any Indian received any part of these alleged payments and, if so, the services for which these payments were made.
 - (iv) To determine whether any Indian laws have been violated.
- (b) The enquiries by the CBI have not so far been completed".

3.5. On 24 July, 1989, Sarvashri Thampan Thomas and C. Janga Reddy, M.Ps. addressed the following Starred Question No. 89 to the Minister of Defence:—

- "(a) at what stage the investigation into Bofors Gun deal stands at present; and
(b) if the investigation is complete, findings of the enquiry and the follow-up action taken in this regard so far?"

3.6. In reply to the above question, the then Minister of Defence (Shri K. C. Pant) stated as follows:—

- “(a) the investigations are still in progress.
(b) Does not arise”.

3.7. The replies to (1) SQ No. 1E(ii) Part (b) of USQ 605 and (iii) Part (a) of SQ 89 were treated as assurances which were required to be implemented by the Ministry of Defence within three months time from the date of the reply.

3.8. On 6 June, 1990, a request was received from the Minister of State in the Ministry of Defence *vide* D.O. Letter No. RRM/1968.F/90—for the dropping of the assurances on the following grounds:—

“All these 3 assurances relate to the ‘BOFORS GUN DEAL’. The position is well known and is under investigation by the competent authorities. As soon as reports of these investigating agencies become available, position would be made known to the Committee on Government Assurances. In view of this, these assurances may be treated as closed.”

3.9. The Committee considered the request of the Ministry of Defence for the dropping of the aforesaid assurances at their sitting held on 29 June, 1990 and decided not to accede to the request of the Ministry. The decision of the Committee was accordingly conveyed to the Ministry.

3.10. These assurances are still pending for implementation.

3.11. The Committee note that the progress made in investigations into the Bofors gun deal has not been satisfactory and has been badly delayed. The Committee recommend that special steps should be taken to complete the investigations in the matter expeditiously and these long pending assurances be fulfilled at the earliest. The Committee also desire that the Government should submit a periodical report to the Committee regarding the progress made in the matter and the Government should seek extension of time minimum necessary to fulfil the assurances.

(iv)

Setting up of Nuclear Power Plants with French and Soviet assistance.

4.1. On 27 February, 1989 Shri Balasaheb Vikhe Patil, M.P. addressed the following Starred Question No. 72 to the Prime Minister:

- “(a) whether Government of French have offered the necessary help for setting up nuclear power plants in India;

(b) if so, the details thereof; and

(c) the extent to which the safeguards prescribed by the IAEA will be adhered to?"

4.2. In reply to the above question, the then Minister of State in the Ministry of Science and Technology and Minister of State in the Departments of Ocean Development, Atomic Energy, Electronics and Space (Shri K. R. Narayanan) stated as follows:—

(a), (b) and (c) "France has indicated its willingness to cooperate in the setting up of nuclear power reactors in India. The terms of cooperation are being negotiated between the two countries".

4.3. On 27 February, 1989, Sarvashri Chintamani Jena and Gurudas Kamat, MPs addressed the following Unstarred Question No. 638 to the Prime Minister:—

"(a) the present position of the USSR offer to set up Atomic Plant in our country;

(b) by when the said proposal will be finalised;

(c) the details of terms and conditions for establishing Atomic Power Plant with the help of Soviet Union;

(d) whether any other foreign country has offered their assistance in regard to setting up of Atomic Power Plant in our country; and

(e) if so, the details thereof and the action taken by Government thereon."

4.4. In reply to the above question, the then Minister of State in the Ministry of Science and Technology and Minister of State in the Departments of Ocean Development, Atomic Energy, Electronics and Space (Shri K. R. Narayanan) stated as follows:—

(a), (b) and (c) : "An inter-Governmental Agreement between India and USSR for Cooperation in construction of a nuclear power station, consisting of two units each of 1000 MW pressurised light water reactors was signed on November 20, 1988 and a copy of the agreement was laid on the Table of the House on November 21, 1988. Details regarding time schedule will be finalised in due course of time.

(d) & (e) France has indicated its willingness to cooperate in the setting up of nuclear power reactors in India.

However, terms for such cooperation are yet to be agreed upon."

4.5. On 24 July, 1989, Shri Srikantha Datta Narasimharaja Wadiyar and Shrimati Kishori Sinha, M.Ps, addressed the following Unstarred Question No. 891 to the Prime Minister:

- "(a) whether France has made an offer to set up a nuclear power plant in the country;
- (b) if so, the details of the aid and assistance offered by France;
- (c) the decision taken by Government thereon; and
- (d) the policy of Government with regard to the setting up of nuclear power plants?"

4.6. In reply to the above question, the then Minister of State in the Ministry of Science and Technology and Minister of State in the Departments of Ocean Development, Atomic Energy, Electronics and Space (Shri K. R. Narayanan) stated as follows:

"(a) to (c) France has indicated its willingness to cooperate in the setting up of nuclear power reactors in India and the terms for cooperation are under discussion between the two countries.

(d) In view of the limited conventional energy resources, Government is committed to harnessing nuclear energy to meet the growing demand for power in the country. India's nuclear power programme envisages setting up of 10,000 MW installed generation capacity by the year 2000 AD, based on the indigenous technology. Any import of reactors will be additional to this programme."

4.7. The replies to the first two questions and the reply to parts (a) to (c) of the third question were treated as assurances and were required to be implemented within three months time from the date of the reply.

4.8. On 15 May, 1990, the Ministry of Atomic Energy approached the Committee through the Ministry of Parliamentary Affairs *Vide* their U.O. Note No. XIV/AE(1) USQ 891-LS/89 for the dropping of Government of USSR and France. These assurances

"The assurances involve delicate negotiations with the Government of USSR and France. These assurances cannot be fulfilled till these negotiations are

final in all respects. It may not be possible for this Department to bring out all the complex and delicate issues involved at the present juncture in order to fulfil the assurances."

4.9. The Committee considered the request of Ministry of Atomic Energy for the dropping of the aforesaid assurances at their sitting held on 11 June, 1990 and decided not to accede to the request of the Ministry. The decision of the Committee was accordingly conveyed to the Ministry.

4.10. These assurances are still pending for implementation.

4.11 The Committee note that the government are involved in delicate negotiations with the Government of USSR and France for the setting up of nuclear power units in order to harness nuclear energy to meet the growing demand for power in the country. The Committee are unhappy to observe that the government have sought the dropping of the assurances instead of trying to fulfil the assurances by finalising the arrangements for the setting up of atomic power units through urgent negotiations. The Committee need hardly emphasise the importance nuclear energy has assumed in the context of current oil crisis and recommend that the Government should make concerted efforts towards the setting up of nuclear power units by expediting negotiations with USSR and France.

(v)

Eco System in India

5.1. On 10 May, 1989, Shri Chintamani Jena, M.P. addressed the following Unstarred Question No. 8895 to the Minister of Environment and Forests:—

- “(a) whether Union Government had organised a four day Indo-US Workshop in Delhi from 4—7 January, 1989 to identify some important ecosystems for conservation and management under the Indo-US collaboration;
- (b) if so, whether Bhitarkanika-Kujanga mangrove ecosystem in Orissa has been identified as one of the locations for Indo-US collaboration; and
- (c) if so, the steps being taken to implement the scheme?”

5.2. In the reply to the above question, the then Minister of Environment and Forests (Shri Z. R. Ansari) stated as follows:—

- “(a) and (b) Yes, Sir. An Indo-US Workshop was organised from 4th to 7th January, 1989 in New Delhi to identify

possible areas of collaboration in conservation of selected wetlands, mangroves and biosphere reserves which included Bhitarkanika mangrove area of Orissa.

- (c) the scheme for collaboration which will require further discussion and identification of research institutions in the United States has not been finalised."

5.3. The above reply to part (c) of the question was treated as an assurance and the same was required to be implemented by the Ministry of Environment and Forests by 9 August, 1990.

5.4. On 21 June, 1990, the Ministry of Environment and Forests approached the Committee through the Ministry of Parliamentary Affairs *vide* U.O. Note No. XIII/E&F(38)USQ 8895-LS/89 for the dropping of the assurance on the following grounds:—

"A detailed project proposal for holding of the workshop in the United States of America has been prepared and is under discussion with the US Embassy. The proposal will now have to go to the United States Government as assistance has been sought from them for holding that workshop. Since this is a time consuming process and as everything depends upon the attitude of the United States Government it is felt that it is not desirable to keep the assurance pending. In view of the time consuming process and the uncertainty involved it is suggested that the Committee on Government Assurances may be moved to drop this assurance."

5.5. The Committee considered the request of the Ministry of Environment and Forests for the dropping of the assurance at their sitting held on 29 June, 1990 and decided not to accede to the request of the Ministry. The decision of the Committee was accordingly conveyed to the Ministry.

5.6. The Ministry then sought extension of time upto 10 November, 1990 to implement the assurance on the following grounds:—

"The detailed project for holding of Workshop in the United States of America has since been discussed with the US Embassy. The proposal has been sent to the Deptt. of Economic Affairs to be transmitted to the US Embassy. As it is likely to take some time for getting the reactions from the US Government and thereafter holding the Workshop, extension of time for fulfilment of the assurance may kindly be sought from the Committee of Assurances upto 10-11-1990."

5.7 The Committee note that Government have held discussions with the United States Government in the matter of conservation of selected wet-lands, mangroves and biosphere reserves and the scheme for collaboration has not been finalised so far. The Committee also note that a detailed project for holding a workshop in USA on the subject has also been discussed with the US Embassy. The Committee are unhappy to note that the Government have sought the dropping of the assurance, although they have made some progress in the matter. The Committee wish to remind the Government that assurances are solemn commitments before the House and the Government should not try to wriggle out of the same on one pretext or the other. The Committee recommend that the Government should vigorously pursue the matter with the United States Government for finalising a scheme of collaboration for the conservation of biospheres, wet-lands and mangroves and fulfil the assurance.

(vi)

Assurance given during General Discussion about Terrorist and Disruptive Activities (Prevention) Amendment Bill and Chandigarh Disturbed Areas (Amendment) Bill

6.1. On 10 May, 1989 at the time of General Discussion on Terrorist and Disruptive Activities (Prevention) Amendment Bill, 1989 and Chandigarh Disturbed Areas (Amendment) Bill, 1989 the then Minister of State in the Ministry of Personnel, Public Grievances and Pensions and Minister of State in the Ministry of Home Affairs, (Shri P. Chidambaram) stated as follows:—

“...Sir, when this Bill was made two years ago in 1987, we candidly admitted that we were introducing certain provisions in the Act keeping in view the rather difficult situation in Punjab and perhaps difficulties which may arise in some other States. Although there was severe criticism of certain provision of this Bill, I tried my best to explain that these provisions were not novel or unusual provisions and such provisions are found in the laws of some other countries. Similar provisions are available in Indian laws and what we were trying to do is only to tighten some of these provisions so that they can be used for controlling terrorists. Sir, I also assured the House that we would not be content with merely making the Act or the rules but *we would issue detailed*

instructions to the State Governments on the manner in which the Act should be used..... We issued such instructions on the 9th of September, 1987."

6.2. The underlined portion of the above statement of the Minister was treated as an assurance which was required to be implemented by the Ministry of Home Affairs by 9 August, 1989.

6.3. The Ministry of Parliamentary Affairs *vide their* OM No. 6(8)/89-Imp. I dated 12 June, 1990 have requested for the dropping of the assurance on the following grounds:—

"...that since the Minister's reply does not involve any assurance, this Ministry has not treated it as such. In this connection the Ministry of Home Affairs was also requested to confirm whether they have issued any fresh guidelines; they have now informed *vide their* O.M. No. 9/3/89-Legal Cell dated 2-4-90 that no instructions other than the ones already given in the answer have been issued by that Ministry. However, guidelines being of classified nature which were issued by the Government of Punjab had been commended to other States."

6.4. The Committee considered the request of the Ministry of Home Affairs for the dropping of this assurance at their sitting held on 29 June, 1990.

6.5 Taking into consideration the position explained by the Ministry, the Committee are inclined to agree to their request for dropping of the assurance.

(vii)

Recovery of NLC dues from Tamil Nadu State Electricity Board.

7.1. On 1 August, 1989, Dr. P. Vallal Peruman, M.P. addressed the following Unstarred Question No. 2090 to the Ministry of Energy:—

- (a) whether the payment of arrears of the Neyveli Lignite Corporation of about Rs. 60 crores towards the cost of power supplied is due from the Tamil Nadu State Electricity Board; and
- (b) if so, the action proposed to be taken by Union Government for early recovery of the dues from the Tamil Nadu State Electricity Board?"

7.2. In reply to the above question, the then Minister of Energy (Shri Vasant Sathe) stated as follows:—

“(a) Yes, Sir.

(b) the matter is being pursued vigorously with the Tamil Nadu Electricity Board and the State Government with objective of reducing outstandings to a level of around one month's billing i.e. about Rs. 15 crores.”

7.3. The reply to part (b) of the above question was treated as an assurance which was required to be implemented by the Ministry of Energy by 1 November, 1989.

7.4. On 14 June, 1990 the Ministry of Energy approached the Committee through the Ministry of Parliamentary Affairs vide their U.O. Note No. XIV/Engy (33) USQ2090-LS-89 for the dropping of the assurance on the grounds indicated below:—

“Month-wise outstanding position of arrears against TNEB for supply of power etc. by NLC is indicated below:

Month	Bill for the month	Realisation	(Rs. crores) Commulative outstanding balance
April '89	14.90	11.00	78.30
May '89	15.44	21.50	72.24
June '89	12.97	10.00	75.21
July '89	19.28	18.00	76.49
August '89	18.12	6.00	88.61
September '89	16.77	16.55	88.83
October '89	13.25	13.57	88.51
November '89	14.63	18.50	84.64
December '89	15.83	9.50	90.57
January '90	15.45	42.10	64.32
February '90	14.76	15.92	63.1
March '90	1.03	6.24	57.95

(Surcharge on belated payment)

It may be seen therefrom that from December, 1989 onwards the outstanding arrears amount has been declining. The total outstandings by the end of March '90 stood at Rs. 57.95 crores.

The billing and realisation of dues is a continuing process. Sometimes, the payment received exceeds the bill preferred, sometimes it lags behind, in the process arrears build up.

Vigorous efforts have been and are being made by the NLC management to realise the dues by official and demi-official letters, telex messages, telephonic talks and also by personal contacts at different levels. The State Government have also been requested from time to time at the Government and the Department level to realise the outstanding dues of NLC."

7.5. The Committee considered request of the Ministry, of Energy for the dropping of the aforesaid assurance at their sitting held on 29 June, 1990.

7.6 In view of the position explained by the Ministry, the Committee agreed to drop the assurance.

(viii)

Sick Units Registered with BIFR

8.1. On 4 August, 1989, Shri Debi Ghosal, M.P. addressed the following Unstarred Question No. 2577 to the Minister of Finance:—

- “(a) the number of sick units registered with the Board for Industrial and Financial Reconstruction (BIFR) till date, State-wise;
- (b) the number of units out of them which could be revived through BIFR, State-wise;
- (c) the number of units wound up, State-wise; and
- (d) the number of such cases still pending for disposal, state-wise?”

8.2. In reply to the above question, the then Minister of State in the Ministry of Finance (Shri Eduardo Faleiro) stated as follows:

- “(a) BIFR has reported that 716 references received under Section 15 of the Sick Industrial Companies (Special Provisions) Act, 1985 in respect of sick industrial companies have been registered with them as on 20-6-89 State-wise break up of the number of units registered is given in Appendix I.

- (b) the Board has sanctioned schemes for revival of 30 sick companies as on 30-6-89. The revival schemes are under implementation.
- (c) As on 30-6-89 in respect of 25 companies of the Board has formed the opinion under Section 20 of the Act, that it is just and equitable that the company should be wound up and has recorded this opinion for transmission to the concerned High Court.
- (d) as on 30-6-89, in 73 cases the Board dismissed the references as not maintainable. In respect of 79 other cases, the Board has accorded approval under section 17(2) of the Act on being satisfied that the company concerned can make its net worth positive on its own within a reasonable time. The remaining cases are under various stages of inquiry under the Act and the BIFR regulations."

8.3. The above reply to part (d) of the question was treated as an assurance which was required to be implemented by the Ministry of Finance by 3 November, 1989.

8.4. On 19 June, 1990, the Ministry of Finance approached the Committee through the Ministry of Parliamentary Affairs *vide* their U.O. No. XIV/Fin.(35)USQ2577/LS|89 for the dropping of the assurance on the following grounds:—

"It is reiterated that the consideration/disposal of cases registered with BIFR (a quasi judicial body) is a time consuming process and at any given point of time, there would always be cases under various stages of inquiry, Details of the steps required to be taken by BIFR for consideration of cases were given in Banking Division's OM of even number dated 28-12-89 addressed to the Ministry of Parliamentary Affairs (Appendix-II).

8.5. The Committee considered the request of the Ministry of Finance for the dropping of the assurance at their sitting held on 29 June, 1990 and decided not to accede to the request of the Ministry for dropping the assurance. The decision of the Committee was accordingly conveyed to the Ministry.

8.6. The Ministry then sought extension of time upto 4 November, 1990 to implement the assurance.

8.7. The assurance is yet to be implemented.

8.8 The Committee note that upto 30 June, 1989, 716 cases in respect of sick industrial units have been registered with the Board

for Industrial and Financial Reconstruction (BIFR) and they are now under various stages of inquiry for the purpose of their revival/winding up. The Committee would like the government to take expeditious steps for the disposal of these cases at the earliest, as delay in deciding such matters would further aggravate the sickness of these units, thus affecting the growth of national economy. The Committee, therefore, recommend that the government should liquidate the assurance by taking special steps for the disposal of the cases referred to BIFR without any further loss of time.

NEW DELHI;

13 November, 1990

22 Kārtika, 1912 (Śaka)

DR. VIJAY KUMAR MALHOTRA,
Chairman

Committee on Government Assurances.

APPENDIX I

(Vide Para 8.2 of the Report)

Sick units registered in 1987, 1988 & 1989 State-wise Break-up

Name of the State	No. of Units		
	1987	1988 (Upto 30-6-89)	1989
1. Maharashtra	65	53	16
2. West Bengal	40	42	13
3. Gujarat	34	33	11
4. Andhra Pradesh	30	35	9
5. Tamil Nadu	30	25	7
6. Uttar Pradesh	29	21	7
7. Karnataka	24	28	6
8. Bihar	18	11	2
9. Rajasthan	17	13	3
10. Haryana	11	11	6
11. Punjab	11	8	..
12. Madhya Pradesh	10	10	6
13. Kerala	10	7	3
14. Himachal Pradesh	3	6	2
15. Orissa	2	6	2
16. Assam	1
17. Chandigarh (UT)	1
18. Delhi (UT)	1	3	1
19. Pondicherry (UT)	1	3	..
20. Goa	1	2	..
	339	317	94
Total number of sick companies without reckoning their units located in different States.	317	300	9

APPENDIX II

(Vide Para 9.4 of Report)

No. 15/(79)/IF. II/89

Government of India

Ministry of Finance

Department of Economic Affairs

(Banking Division)

New Delhi, the 27th November, 1989

28th December, 1989

OFFICE MEMORANDUM

SUBJECT: Assurance given during the XIV Session 1989 of the Eighth Lok Sabha USQ No. 2577 dated 4-8-89.

The undersigned is directed to refer to Ministry of Parliamentary Affairs O.M. No. XIV/Fin. (35) USQ 2577-LS/89 dated September 5, 1989 on the above subject and to state that BIFR is a quasi-judicial body and consideration of cases registered with it involves several steps including:—

- (1) allocation of the registered cases to one of the four Benches by the Chairman;
- (2) fixing the date of hearing by the concerned Bench and issue of notice to the company, banks, financial institutions, State Government etc.;
- (3) consideration whether reference is in order and if so, take up an inquiry under Section 16;
- (4) determination whether the company can make its net worth positive on its own. If not, and if it is in the public interest to appoint an operating agency to prepare a scheme. The OA is generally given 90 days time;
- (5) consideration of the operating agency's report and formulation of a draft scheme or forming the prima facie opinion that it is just and equitable that the company be wound up;

- (6) circulation of the draft scheme to all concerned to get their consent or concessions, reliefs, etc. for which 60 days time is required to be given or issue of winding up notice. Short particulars of draft scheme or winding up notice have to be published in the newspapers giving an opportunity to shareholders, creditors, employees etc. to state their comments/objections, if any; and
- (7) consideration the comments/objections as also consent of those who have to extend relief/concession before sanctioning a scheme or reaching the conclusion that the company cannot be revived.

2. It would thus be observed that the disposal of cases registered with BIFR is a time consuming process and at any given point of time there would always be cases under various stages of enquiry. It was for this reason that the reply *inter alia* stated that the remaining cases are under various stages of inquiry under the Act and the BIFR Regulations.

3. Ministry of Parliamentary Affairs are, therefore, requested that the reply given to Unstarred Question No. 2577 in the Lok Sabha on 4-8-89 may not be treated as an Assurance.

4. However, State-wise break-up of cases registered with the BIFR but not disposed of as on 30-6-89 is given in the enclosed statement.

Sd/-

H. S. KUMAR,
for Deputy Secretary.

Ministry of Parliamentary Affairs,
(Shri Amar Chand, Under Secy.)

Encl: As stated

Enclosure to Ministry of Finance OM No. 15(79)/IF. II/89 dt. 27-11-1989

State-wise break-up of cases registered with the BIFR but not disposed of as on 30-6-89 (i.e. excluding those dismissed as not maintainable or where revival scheme has been sanctioned or draft scheme circulated or winding up recommended to the concerned High Court or winding up notice issued or approval accorded under Section 17 (2))

Sl.No.	State	No. of Registered	Under various stages of inquiry
1.	Maharashtra	133	75
2.	West Bengal	95	60
3.	Gujarat	78	47
4.	Andhra Pradesh	74	47
5.	Tamil Nadu	62	31
6.	Uttar Pradesh	57	25
7.	Karnataka	58	30
8.	Bihar	31	20
9.	Rajasthan	33	22
10.	Haryana	28	15
11.	Punjab	19	10
12.	Madhya Pradesh	26	20
13.	Kerala	20	7
14.	Himachal Pradesh	12	10
15.	Orissa	10	7
16.	Assam	1	1
17.	Chandigarh (UT)	1	1
18.	Delhi (UT)	5	5
19.	Pondicherry (UT)	4	2
20.	Goa	3	3
		750*	438

*Companies having units in more than one State have been shown under each State. Total No. of sick companies registered without reckoning their units located in different States is 716 as on 30-6-1989.

MINUTES

Minutes of the Sixth Sitting of the Committee on Government Assurances held on 11 June, 1990, in Committee Room No. 53, Parliament House, New Delhi.

The Committee met on Monday, 11 June, 1990 from 11.00 to 11.40 hrs.

PRESENT

Dr. Vijay Kumar Malhotra.

MEMBERS

2. Shri Het Ram
3. Shri Kamal Nath
4. Dr. Mahadeepak Singh Shakya
5. Shri Kusuma Krishna Murthy
6. Shri Amar Roy Pradhan
7. Shri C. Srinivasan
8. Shri Ramji Lal Suman.

SECRETARIAT

1. Shri C. K. Jain—*Joint Secretary*
2. Shri Jyoti Prasad—*Under Secretary.*

2. The Committee considered and adopted the draft Second Report.

3. The Committee took up for consideration Memoranda Nos. 15, 16, 17, 18, 19 and 20.

Memorandum No. 15: Request for dropping of the assurance given on 8 March, 1989 in reply to Unstarred Question No. 1897 regarding losses on Government Publications.

The Committee considered the request of the Ministry of Urban Development received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. XIII/UD(18) USQ 1897-LS/89 dated 1 February, 1990 for the dropping of the assurance on the following grounds:

“The question asked is whether the Government have examined the observations by the C&AG in the report for the year ending 31st March, 1987. This matter is under

examination in consultation with the Department of Publications. As soon as the reply is finalised this will be sent to the Ministry of Finance to be placed before the C&AG. Undoubtedly, the C&AG would place this matter before the Parliament."

The Committee considered the request of the Ministry of Urban Development and did not agree to drop the assurance. It was decided that the representatives of the Ministry of Urban Development be asked to appear before the Committee to explain the reasons for delay in implementation of the assurance.

Memorandum Nos. 16 and 17: Request for dropping of the assurance given on (i) 2 March, 1988 in reply to Unstarred Question No. 1419 regarding implementation of recommendations of Jaswant Singh Commission; and (ii) 4 November, 1988 in reply to Unstarred Question No. 332 regarding Circuit Benches of Allahabad High Court in Dehradun and Agra.

The Committee considered the requests of the Ministry of Law and Justice received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. X/LJ (3) USQ 1419-LS/88 dated 21 February, 1990 and U.O. Note No. XII/LJ (2) USQ 332-LS/88 dated 21-2-1990 for the dropping of the two assurances on the following grounds:

"The specific recommendations of the Jaswant Singh Commission relating to establishment of Benches of the Allahabad High Court were referred to the Chief Minister of Uttar Pradesh on 23-10-86 for his views and comments in consultation with the Chief Justice of the Allahabad High Court and the Governor of Uttar Pradesh. A reply dated 26-6-87 was received, but this did not give, the definite, views of the State Government in the matter, nor did it contain the views of the Chief Justice. The Chief Minister of Uttar Pradesh was again addressed on 25-7-87 and requested to give the definite views and proposals of the State Government in consultation with the Chief Justice having regard to all aspects of the matter, specially the location of the new Bench and its territorial jurisdiction. The Chief Minister was reminded on 2-9-88.

An interim reply dated 13-10-88 was received from the Chief Minister of Uttar Pradesh saying that steps were being taken for ascertaining the views of the Chief Justice of

Allahabad High Court and the Government of the State, and the views of the State Government would thereafter be communicated in due course.

Another letter dated 25-1-89 was received from the Chief Minister in which he mentioned that the Chief Justice of Allahabad High Court had not received a copy of the Jaswant Singh Commission's Report, which had been sent to him with this Department's letter dated 23-10-86. The Chief Minister requested that a copy of the Report may be sent to the Chief Justice so that his views could be obtained on the subject.

A copy of the Jaswant Singh Commission's Report had been sent to the former Chief Justice of the Allahabad High Court in October, 1986. Another copy was sent to the Registrar, Allahabad High Court for the use of the Chief Justice in February, 1989.

Further communication from the State Government is awaited.

Action can be taken by the Government of India only after receipt of the definite views and comments on the specific recommendations of the Jaswant Singh Commission together with a specific, complete proposal from the Government of Uttar Pradesh. At present, no action is pending on the part of the Government of India on the Commission's recommendations.

It may be mentioned that there have been agitations and strikes by lawyers and others in connection with the establishment of a Bench of the Allahabad High Court for the Western districts of Uttar Pradesh, some in favour of it and others against it. Writ petitions have also been filed and are pending in the Allahabad High Court and the Supreme Court in this regard."

The Committee were not convinced with the grounds advanced by the Ministry for dropping of the aforesaid assurances. They decided to pursue the matter and desired that the Ministry should initiate action to fulfil these assurances expeditiously. The Ministry should also seek further extension of time considered to be minimum to implement both these assurances.

Memorandum No. 18: Request for dropping of the assurances given on 18 November, 1987 in reply to Unstarred Question No. 1703 regarding plan to fight communalism.

The Committee considered the request of the Ministry of Home Affairs received through the Ministry of Parliamentary Affairs for the dropping of the assurance on the following grounds:—

“The Hon'ble Home Minister in reply to another Lok Sabha Starred Question No. 272 answered on 25-11-87 regarding misuse of foreign funds, in his reply has stated that “There is no definite information that foreign contribution received by the voluntary agencies are being used for such purposes. However, some amendments to the Foreign Contribution (Regulation) Act, 1976 are under consideration with a view to make it more effective”. This reply was also treated as an assurance.

In this connection attention is invited to Ministry of Parliamentary Affairs U.O. No. FIX/HA (25)SQ.272 LS/87, dated 11-3-1988 wherein they have requested Lok Sabha Secretariat to place the request of the Ministry of Home Affairs for dropping the assurance before the Committee on Assurance for their consideration, in respect of Question No. 272.

Since part of the reply to the Lok Sabha Unstarred Question No. 1703 dated 18-11-1987 dealt with the subject *viz.*, the proposal to amend the Foreign Contribution (Regulation) Act, similar reply to Lok Sabha Starred Question No. 272 dated 25-11-1987, it is felt that the reply to Lok Sabha Unstarred Question No. 1703 may also not be treated as an assurance on the same analogy, as to be adopted in respect of Lok Sabha Starred Question No. 272. It is, therefore, requested that Ministry of Parliamentary Affairs may kindly take up the matter with the Lok Sabha Secretariat to consider dropping of the assurance given in reply to Question No. 1703 dated 18-11-1987”.

The Committee did not agree to drop the assurance and decided to take oral evidence of the representatives of the Ministry of Home Affairs.

Memorandum No. 19: Request for dropping of the assurance given on 10 April, 1989, in reply to Starred Question No. 570 regarding board level appointments in public sector undertakings.

The Committee considered the request of the Ministry of Personnel, Public Grievances and Pensions received through the Ministry of Parliamentary Affairs for the dropping of the assurance on the following grounds:—

“There are always some Board level appointments under consideration of PESB and the Administrative Ministries as earlier intimated. Being a continuous process, it is not possible to fulfil the assurances. It may also be pointed out that some time an officer approved by the appointments committee of the Cabinet does not join the post and the post remains vacant for a long time.”

The Committee did not agree to the request of the Ministry and decide to take oral evidence of the representatives of the Ministry of Personnel, Public Grievances and Pensions.

Memorandum No. 20:— Request for dropping of assurances given on:—

- (1) 27 February, 1989, in reply to Starred Question No. 72 regarding French help for setting up Nuclear Power Plants;
- (2) 27 February, 1989, in reply to USQ. No. 638 regarding Atomic Power Plants with French and Soviet assistance; and
- (3) 24 July 1989, in reply to USQ. No. 891 regarding Nuclear Power Plant with French assistance.

The Committee considered the requests of the Ministry of Atomic Energy received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. XIV/AE (1) USQ. 89/LS/89 dated 15 May, 1990 for the dropping of assurances on the following grounds:—

“The assurances involve delicate negotiations with the Government of USSR and France. These assurances cannot be fulfilled till these negotiations are final in all respects. It may not be possible for this Department to bring out all the complex and delicate issues involved at the present juncture in order to fulfil the assurances.”

The Committee did not agree to drop the said three assurances. They desired that the Department should seek extension of time as considered minimum to implement the assurances.

The Committee decided to have their next sittings on 28 and 29 June, 1990 at 15.00 hours.

The Committee then adjourned.

MINUTES
EIGHTH SITTING

Minutes of the Eighth sitting of the Committee on Government Assurances held on 29 June, 1990 in Committee Room 'B', Parliament House Annexe, New Delhi.

The Committee met on Friday, the 29 June, 1990 from 15.00 hrs to 15.30 hours.

PRESENT

1. Dr. Vijay Kumar Malhotra—*Chairman*.

MEMBERS

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2. Smt. Subhasini Ali
 3. Dr. Mahadeepak Singh Shakya
 4. Shri Haribhau Shapkar Mahale
 5. Shri Kusuma Krishna Murthy
 6. Shri Amar Roy Pradhan

SECRETARIAT

1. Shri C. K. Jain *Joint Secretary*
2. Shri Jyoti Prasad—*Under Secretary*

2. The Committee considered and adopted the draft Third Report of the Committee.

3. The Committee took up for consideration Memorandum Nos. 21, 22, 23, 24, 25 and 26.

Memorandum No. 21: Request for dropping of the assurance given on 1 August, 1989, in reply to Unstarred Question No. 2090 regarding recovery of NLC dues from Tamil Nadu State Electricity Board.

The Committee considered the request of the Ministry of Energy received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. XIV/Engy. (33) USQ 2090-LS-89, dated 14 June, 1990 for the dropping of the assurance on the following grounds:—

“Month-wise outstanding position of arrears against TNEB for supply of power etc. by NLC is indicated below:

Month	Bill for the month	Realisation	(Rs. crores) Cumulative outstanding balance
April '89	14.90	11.00	78.30
May '89	15.44	21.50	72.24
June '89	12.97	10.00	75.21
July '89	19.28	18.00	76.49
August, '89	18.12	6.00	88.61
Sept. '89	16.77	16.55	88.83
Oct. '89	13.25	13.57	88.51
Nov. '89	14.63	18.50	84.64
Dec. '89	15.83	9.50	90.97
Jan. '90	15.45	42.10	64.32
Feb. '90	14.76	15.92	63.16
March '90	1.03	6.24	57.95

(Surcharge on belated payment)

“It may be seen therefrom that from Dec. 89 onwards, the outstanding arrears amount has been declining. The total outstandings by the end of March 1990 stood at Rs. 57.95 crores.

The billing and realisation of dues is a continuing process. Sometimes, the payment received exceeds the bill, preferred, sometimes it lags behind. In the process, arrears build up.

Vigorous efforts have been and are being made by the NLC management to realise the dues by official and demi-official letters, telex messages, telephonic talks and also by personal contracts at different levels. The State Government have also been requested from time to time at the Government and the Department levels to realise the outstanding dues of NLC."

After considering the position explained by the Ministry of energy, the Committee decided to accede to this request and drop the assurance.

Memorandum No. 22: Request for dropping of the assurance given on 8 May, 1987, in reply to Unstarred Question No. 9672 regarding fraudulent deal in local supplies for MES, Allahabad.

The Committee considered the request of the Minister of State (Dr. Raja Ramanna) received *vide* D.O. letter No. RRM/1968-F/90 dated 6 June, 1990 for the dropping of the assurance on the following grounds:—

"The CBI in their report recommended banning of business with 4 firms and prosecution of 13 persons including 5 Service Officers, 4 Civilians Gazetted Officers and 4 proprietors of different firms. The report of the CBI is being examined in consultation with Army Headquarters and Central Vigilance Commission. Since completion of all the formalities like launching the prosecution in the Court of law is a time consuming task, our request for dropping the assurance may kindly be accepted."

Not agreeing with the request of the Ministry of Defence to drop the assurance, the Committee desired that the Ministry should furnish a note giving the latest position indicating whether prosecution had been launched in the matter. The Committee also directed that the Ministry should seek extension of time for implementation of assurance as considered minimum.

Memorandum No. 23: Request for dropping of assurances given on—

- (i) 27 July, 1988, in reply to Starred Question No. 15 regarding documents published in Hindu regarding alleged payment of commissions in Howitzer deal.
- (ii) 27 February, 1989, in reply to Unstarred Question No. 605 regarding C.B.I. investigation in Bofors Gun deal.

(iii) 24 July, 1989, in reply to Starred Question No. 89 regarding investigation into Bofors Gun deal.

The Committee considered the request of the Minister of State for Defence received *vide* D.O. Note No. M/1968-F/90 dated 6 June, 1990 for the dropping of the above three assurances on the following grounds:—

“All these 3 assurances relate to the ‘BOFORS GUN DEAL’.

The position is well known and is under investigation by the competent authorities. As soon as reports of these investigating agencies become available, position would be made known to the Committee on Government Assurances. In view of this, these assurances may be treated as closed.”

The Committee did not agree to drop the assurances. They directed that the Ministry of Defence should submit a periodical report about the progress made in the matter and also seek further extension of time as might be considered to implement the assurances.

Memorandum No. 24: Request for dropping of the assurance given on 4 August, 1989 in reply to Unstarred Question No. 2577 regarding sick units registered with BIFR.

The Committee considered the request of the Ministry of Finance received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. XIV/Fin. (35) US R-2577-LS/89 dated 19 June, 1990 for the dropping of the assurance on the following grounds:—

“It is reiterated that the consideration/disposal of cases registered with BIFR, (a quasi judicial body) is a time consuming process and at any given point of time, there would always be cases under various stages of inquiry. Details of the steps required to be taken by BIFR for consideration of cases were given in Banking Division’s OM of even number dated 28-12-89 addressed to the Ministry of Parliamentary Affairs.

The Committee did not see any justification in the request of the Ministry for dropping the assurance. Not agreeing to drop the assurance, the Committee desired that the Ministry should implement the assurance stating the position obtaining as on 20 June, 1989.

Memorandum No. 25: Request for dropping of assurance given on 10 May, 1989 in respect of General Discussion about Terrorist and Disruptive Activities (Prevention) Amendment Bill and Chandigarh Disturbed areas (Amendment) Bill.

The Committee considered the request of the Ministry of Home Affairs received through the Ministry of Parliamentary Affairs *vide* their O.M. No. 6(8)/89-Impl-I dated 12 June, 1990 for the dropping of the assurance on the following grounds:—

“..... that since the Minister’s reply does not involve any assurance, this Ministry has not treated it as such—In this connection the Ministry of Home Affairs was also requested to confirm whether they have issued any fresh guidelines; they have now informed *vide* their O.M. No. 9/3/89-Legal Cell dated 2-4-90 that no instructions other than the ones already given in the answer have been issued by that Ministry. However, guidelines being of classified nature which were issued by the Government of Punjab had been commended to other States.”

Agreeing with the request of the Ministry, the Committee decided to drop the assurance.

Memorandum No. 26:— Request for dropping of the assurance given on 10 May, 1989, in reply to Unstarred Question No. 8895 regarding ecosystem in India.

The Committee considered the request of the Ministry of Environment and Forests received through the Ministry of Parliamentary Affairs *vide* their U.O. Note No. XIII/E&F (388895-LS)89 dated 21 June, 1990 for the dropping of the assurance on the following grounds:—

“A detailed project proposal for holding of the workshop in the United States of America has been prepared and is under discussion with the US Embassy. The proposal will now have to go to the United States Government as assistance has been sought from them for holding that workshop. Since this is a time consuming process and as everything depends upon the attitude of the United States Government it is felt that it is not desirable to keep the assurance pending. In view of the time consuming process and the uncertainty involved it is suggested that the Committee on Government Assurances may be moved to drop this assurance.”

The Committee did not agree the request of the Ministry of Environment and Forests for the dropping of the assurance. The Committee desired that the Ministry of Environment and Forests should submit a note detailing the progress made so far in the matter and also seek further extension of time for implementation of the assurance.

The Committee decided to have their next sittings on 30 July, 1990 at 1600 hrs. and on 31 July, 1990 at 11.00 Hours.

The Committee then adjourned.

MINUTES

FIFTEENTH SITTING

Minutes of the Fifteenth Sitting of the Committee on Government Assurances held on 13 November, 1990 in Committee Room '53', Parliament House, New Delhi.

The Committee met on Tuesday the 13 November, 1990 from 11.00 hrs. to 11.30 hrs.

PRESENT

Dr. Vijay Kumar Malhotra—*Chairman*

MEMBERS

2. Shri Het Ram
3. Shri Mahabir Prasad
4. Dr. Mahadeepak Singh Shakya
5. Shri Haribhau Shankar Mahale
6. Shri Kusuma Krishnamurthy
7. Shri Amar Roy Pradhan
8. Shri Sanford Marak
9. Shri Surya Narain Yadav

SECRETARIAT

1. Shri R. C. Bhardwaj—*Joint Secretary*
2. Shri G. C. Hallan—*Director*
3. Shri A. N. Chopra—*Under Secretary*

2. The Committee decided to undertake on-the-spot study visit to Calcutta, Port Blair, Madras and Bangalore from 2 January, 1991 to 9 January, 1991 in connection with the examination of certain pending/implemented assurances.

3. The Committee took up for consideration the Draft Seventh and Eighth Reports of the Committee on Government Assurances and adopted them.

* * * *

The Committee then adjourned.