

(1989) 03 MAD CK 0045

In the Madras High Court

Case No : Writ Appeal No's. 1570 to 1575/88 and 191 to 196 of 1989

Engg. Exports Promotion Council

APPELLANT

Vs

Asian Wire Ropes Ltd.

RESPONDENT

Date of Decision : 01-03-1989

Acts Referred:

Constitution of India, 1950 — Article 12, 226(8)

Citation : (1992) 40 ECC 106 : (1990) 47 ELT 336

Hon'ble Judges : S. Mohan, O.C.J.; Venkataswami, J

Bench : Division Bench

Advocate : M.R. Narayanaswamy, for King and Patridge, for the Appellant; T. Srinivasamoorthy, Additional Central Government Standing Counsel, for the Respondent

Judgement

S. Mohan, Offg. C.J.

1. All these writ appeals can be dealt with under a common judgment since the point in issue is one and the same.

2. The first respondent herein, namely, Asian Wire Ropes Ltd., preferred W.P. 3994 of 1988 for a writ of Certiorari to quash the orders of the

third respondent therein namely, the Engineering Export Promotion Council, dated 2-9-1987 W.P. No. 3995 of 1985 was filed for the issue of a

writ of mandamus directing respondents 2 to 4 therein to reimburse the sum of Rs. 4,53,007.01 being the balance of amount due to it under the

International Price Reimbursement Scheme, 1981. W.P. No. 3996 of 1988 was for the issue of a writ of Mandamus directing respondents 2 to 4

therein to reimburse a sum of Rs. 1,95,859.40 due under the same Scheme. W.P. Nos. 3997, 3998 and 3999 of 1988 were filed for writs of

mandamus against respondents 2 to 4 there in claiming reimbursement in a sum

of Rs. 61,676.70; Rs. 19,07,421/- and Rs. 11,67,327.90p.

respectively under the same Scheme.

3. The case, shortly put in this : The first respondent in the appeals are the manufacturers of Steel Wire Ropes, which they export to foreign

countries. They use Resulpharised Carbon Steel (forging quality carbon steel) for the manufacture of the said ropes. They purchase steel in the

local market, but the price of steel in the local market is higher than the price in the international market. Consequently, the Indian producers, who

manufacture their products out of Indian Steel are not able to compete in the global market. In order to enable the export and in order that the

Indian manufacturers do not suffer unduly, the Union Government had sponsored a scheme called Internal Price Reimbursement Scheme, 1981

(IPRS 1981). The said Scheme will be referred to as the "Scheme" in our judgment. In and by the Scheme, an Indian Manufacturer utilising

domestic steel for manufacture of products for exports would be paid the difference between the domestic price and international price of the raw

materials used. The reimbursement is given on the total quantity of steel/pig iron consumed in the exports effected. The Engineering Exports

Promotion Council has published a detailed text of the Scheme.

4. The case of the first respondent herein is that they have been purchasing Resulpharised Carbon Steel EN 8 DM from the local manufacturers of

steel and were manufacturing wire ropes and were exporting them to various countries. After such exports, applications were submitted by them

from time to time as stipulated by the Engineering Export Promotion Council in order to claim reimbursement. The Engineering Export Promotion

Council, Madras along with its recommendation forwarded the claim of the first respondent herein to their Delhi Office, namely, the Engineering

Export Promotion Council, New Delhi along with the recommendation of the Sub-Committee of the Council of Southern Region. The D.G.T.D. in

their letter confirmed the fact that EN 8 DM wire rods are used in the manufacture of steel wire ropes.

5. On 2-9-1987, a letter was issued by the Engineering Export Promotion Council, Madras stating that on the basis of clarifications issued by the

Ministry, the first respondent herein is not entitled to reimbursement of the price difference fixed for EN 8 DM forging quality carbon steel.

According to that letter, no forging Process was involved in the manufacture of steel wire ropes. It was further stated that the first respondent was not entitled to reimbursement for EN 8 DM forging quality carbon steel even if the said material was used in the manufacture of the steel wire ropes exported by the first respondent. Without prejudice to their right to claim reimbursement of the price difference fixed for EN 8 DM forging quality carbon steel, the first respondent herein prayed for release of at atleast the price difference applicable to the lowest alloy steel category. It was under these circumstances, the writ petitions came to be filed for the above relief.

6. The matter was heard by our learned brother S. Ramalingam J., who posed four questions for determination.

7. The first question was whether the court has territorial jurisdiction. It was held that this court has territorial jurisdiction and it was maintainable

under Art. 226(8) of the Constitution since part of the cause of action arose within the territorial jurisdiction of this court.

8. The second question was whether a writ will lie against respondents 2 and 3 in the writ petition and they could be called authorities within Art.

12. The learned Judge on an elaborate consideration came to the conclusion that respondents 2 and 3 in the writ petitions were agencies or

instrumentalities of the Union of India and are amenable to writ jurisdiction.

9. The third contention was whether the communication dated 2-9-1987 was liable to be quashed by a writ of certiorari. The learned Judge was of

the view that even looked at it as an administrative order, it could be quashed.

10. The next question was whether any representation at all was made by the appellants before us. After analysing the scope of the Scheme, it was

held that representation was made to the effect that if the scheme was followed, the manufacturers will be entitled to reimbursement of the price

difference for the quality of steel used by them in the terms of the scheme.

11. The contention based on the annexure dated 15-9-1986 that the first respondent herein should have used imported high carbon steel wire rods

in the manufacture of wire ropes was nothing more than conjecture or surmise. Ultimately, he came to the conclusion that it was obvious that the

only material or the basis on which the appellants sought to rely to show that the first respondent has used high carbon steel wire rods was of no

assistance. He came to the conclusion that acting on the representation of the

appellants, the first respondent had manufactured the end product viz., wire ropes out of forging quality carbon steel, which is provided by the invoices produced by the first respondent. Under these circumstances, the letter dated 2-9-1987 was liable to be quashed and accordingly he allowed the writ petitions. Thus the writ appeals.

12. Mr. M. R. Narayanaswami, learned counsel for the appellants in W.A. Nos. 1570 to 1575 of 1988 would reiterate three of the points raised

before the learned single Judge. According to him (i) in cases of this kind, mandamus cannot be the appropriate remedy when disputed questions

of fact arise; (ii) if that be the accepted position, the first respondent herein, must be relegated to a suit; and (iii) the Scheme, if read carefully does

not hold out a promise and the question of promissory estoppel would not ever arise. Lastly it is submitted that the Engineering Export Promotion

Council, namely, the Second and third respondents in the writ petition are not authorities amenable to the jurisdiction of the court since Art. 12 of

the Constitution cannot be invoked, so as to hold that they are authorities within the meaning of the said Article. These are the contentions raised

by the appellants in W.A.Nos. 1570 to 1575 of 1988. In support of these arguments, he would draw our attention to the fact that M/s. Usha Inter

Continental in their letter dated 15-9-1986 addressed to the Joint Chief Controller of Imports and Exports, New Delhi has stated on behalf of the

first respondents as follows :

Our supporting manufacturers have used wire rods procured indigenously in manufacture of the wire ropes exported by us under the above

advance licence.

Therefore, it is clear from the above that indigenous material alone has been used and this taken together with the finding of the learned single Judge

to the contrary as though that the reliance on the statement would be in the realm conjectures and surmises is totally incorrect. Then again, it is

incorrect to reject the contention by stating that ""it is obvious that the only material or the basis on which the respondents in the writ petition seek to

rely to show that the petitioner in the writ petition (first respondent herein) had used high carbon steel wire rods is of no assistance. ""In fact on 15-

9-1986 the above letter was given to the Joint Chief Controller of Imports and Exports in response to a communication from the third respondent

in the writ petition. In the letter issued by the Directorate General of Technical Development dated 30-4-1987 in response to a query from the first

respondent herein, it had been clarified that EN 8 DM wire rods are used in the manufacture of certain types of steel wire ropes. Under these

circumstances, it was entirely for the petitioners to have proved the use of the same. It cannot be assumed as a fact and relief be granted. That is

exactly what has been done by the learned single Judge.

13. Assuming that it has been so used, the Scheme, first of all, is non-statutory in character. Even otherwise, a careful reading of the same would

clearly show that no promise is held out under the scheme. As to what exactly is the law of promissory estoppel can be gathered from the decision

in Motilal Padampat Sugar Mills Co. Ltd. Vs. State of Uttar Pradesh and Others, Lastly, it is submitted that the Engineering Export Promotion

Council is a non-statutory body; it is a Company registered under the Companies Act. Under these circumstances, it cannot be equated as an

authority within the meaning of Art. 12 of the Constitution.

14. In W.A. Nos. 191 to 196 of 1979 which have been preferred by the Union of India and the Deputy Chief Controller of Imports and Exports,

Mr. Srinivasamoorthy, the learned counsel appearing for them adopts the arguments of Mr. Narayanaswami.

15. Mr. Habibulla Basha, learned counsel appearing for the first respondent in the writ appeals would urge that at no point of time earlier than the

stand taken at the Bar, the use of forging quality carbon steel was ever disputed. As a matter of fact, the parties proceeded on the basis that it was

so used. Throughout, the stand of the appellants in both the sets of appeals was that there was no forging involved. Therefore, to say that a

disputed question of fact arises and hence no mandamus could issue, is totally wrong.

16. Whether the Scheme is statutory or not, in so far as the terms of the Scheme have been properly fulfilled by the first respondent, under which it

was clearly held out that if the terms are satisfied, there would be reimbursement, no arguments can be advanced that it does not hold out a

promise. Even in the counter affidavit filed by respondents 2 and 3 in the writ petitions, namely, the appellants in W.A. Nos. 1570 to 1575 of

1988, no stand was taken as to the non-user of forging quality carbon steel.

17. As rightly held by learned single Judge, the letter of the exporters merely points out the use of indigenous material but where as a fact, forging

quality carbon steel has been used, the reimbursement cannot be denied. The principle laid down in the decision in Motilal Padampat Sugar Mills

Co. Ltd. Vs. State of Uttar Pradesh and Others, has no application to the facts of this case.

18. On the last of the questions, namely, whether the appellants in W.A. Nos. 1570 to 1575 of 1988 are amenable to writ jurisdiction, it has been

found that the entire finance is that of the Union of India and the control vests in the Union of India for all practical purposes; then again, these

appellants are no more than authorities and they are bound to follow the directions given by the Union of India; therefore, they would definitely be

the authorities under the control of the Union of India and hence Art. 12 of the Constitution would stand attracted.

19. We will consider whether the disputed questions of fact arise in these cases. One thing we wish to make clear that in paragraph-9 of the

counter affidavit filed by the Union of India, it is stated thus :

... It is submitted that the petitioner did not use Resulpharised Carbon Steel (Forging quality carbon Steel) EN 8 DM as has been stated by him in

the affidavit. The petitioner instead used "High Carbon Wire Rods". This is borne out by the records in the possession of the Ministry of

Commerce, New Delhi. A copy of a letter from M/s. Usha Inter Continental, New Delhi dated 15-9-1986 addressed to the Jt. Chief Controller of

Imports and Exports, New Delhi, which was submitted by the petitioner with his IPRS claims, which substantiates the claim of the Ministry of

Commerce is given in Annexure-1.

The question is whether this stand was taken earlier at any point of time by the Engineering Export Promotion Council, New Delhi or its Madras

Branch.

20. Therefore, for the first time, as rightly pointed out by the learned single Judge, this stand is taken that the first respondent herein did not use

Resulpharised Carbon Steel (Forging quality carbon Steel) EN 8 DM. Before us, what is sought to be relied on is Annexure-1 which is a letter

from Usha Inter Continental addressed to the Joint Chief Controller of Imports and Exports informing him that the item reading as "high carbon

steel wire rods" in the advance licence already granted to them may be deleted. This was because they had already completed their exports against

the licence without importing any quantity of any of the exempt materials; they do not intend to import any quantity of "high carbon steel wire rods"

because their supporting manufacturers, namely, the first respondent herein had used wire rods procured indigenously in manufacture of the wire

ropes exported by them. On the basis of the Annexure dated 15-9-1986, the contention raised is that Usha Inter Continental had a licence for

import of high carbon steel wire rods, at the relevant time; obviously, if that material was utilised for the manufacture of steel wire rods, the first

respondent should have used that imported high carbon steel wire rods. Certainly this argument is untenable. As rightly pointed out by the learned

judge, it is not the case of the appellants before us that the ultimate product was chemically analysed and found that the same has been made out of

high carbon steel wire rods. It should be remembered that the letter dated 15-9-1986 sent by Usha Inter Continental was in response to a

communication issued by the Engineering Export Promotion Council, New Delhi. In that, it was stated thus :

... The firm imported carbon steel wire rods against advance licence, whereas claiming for Resulpharised Carbon Steel. High carbon steel wire

rods is nothing but a mild steel. It will attract only the lowest price difference applicable for mild steel categories..... You are therefore requested to

provide all the details/documents as called for at your earliest, within 30 days, from the date of this letter; otherwise the claim will be summarily

rejected....

Therefore, where this requirement had to be satisfied, it was stated in the letter dated 15-9-1986 sent by the Usha Intercontinental as follows :

... Our supporting manufacturers have used wire rods procured indigenously in manufacture of the wire ropes exported by us under the above advance licence"".

Then comes the letter dated 30-4-1987 which was in reply to the letter of the first respondent dated 2-4-1987. As to how the reply come to be

addressed could be seen if we go back to the letter dated 2-4-1987 of the first respondent herein. Therein, it is stated as follows :

.....

Dated : 2nd April, 1987.

The D.G.T.D.

(Import and Export Cell),

Udyog Bhawan,

New Delhi.

Dear Sir,

We are manufacturers and exporters of steel Wire Ropes. We have been using EN 8 DM wire rods for making those ropes for exports. We had

applied to the EEPC for release of claims/subsidies attaching Chartered Engineer's certificates etc. (copies enclosed herewith). But E.E.P.C. has

not been able to decide, since they do not have technical expertise and have declared on confirmation from your office that EN 8 DM can be used

for manufacture of steel wire ropes.

Accordingly, we request to kindly confirm that EN 8 DM can be used for manufacturing Wire Ropes under advice to the Regional Manager,

E.E.P.Cs, Kannammal Building (1st Floor), 612, Anna Salai, Madras - 600 006.

Your early consideration will help us to overcome tremendous hardships for settling overdue matters with E.E.P.C. since over six months.

Thanking you,

Yours faithfully,

for Asian Wire Ropes Limited.

(Sd.)

DIRECTOR

.....

It is in this regard the Directorate General of Technical Development States thus :

.....

New Delhi, 30th April, 1987.

M/s. Asian Wire Ropes Ltd.,

Plot No. 43, Nagarjuna Hills,

Panjagutta,

Hyderabad - 500 482.

Sub : Use of EN 8 Wire rods.

Dear Sirs,

Your attention is invited to your letter dated 2nd April, 1987 on the subject mentioned above wherein you have stated that EN 8 DM wire rods

are being used by you for making of ropes for export, as certified by Chartered Engineer. It is to clarify that EN 8 DM wire rods are used in the

manufacture of certain types of steel wire ropes

.....

21. On 8-5-1987, the first respondent wrote a detailed letter addressed to the third respondent in the writ petition, enclosing a copy of the letter

addressed to the Directorate General of Technical Development in which it was stated :

... therefore, it would be appropriate to state that wire ropes are made from high carbon steel also from other categories of steel.

On 30-4-1987, the Director General of Technical Development gives the following clarification to the first respondent herein.

.....

Your attention is invited to your letter dated 2nd April, 1987 on the subject mentioned above wherein you have stated that EN 8 DM wire rods

are being used by you for making of ropes for export as certified by Chartered Engineer. It is to clarify that EN 8 DM Wire Rods are used in the

manufacture of certain types of steel wire ropes.....

Then on 12-8-1987, the Government of India wrote to the Regional Manager, Engineering Export Promotion Council to the following effect :

.... it may be clarified that apart from technical aspect as to whether EN 8 DM material can be used for manufacture of steel wire ropes; the

crucial aspect is that under Alloy Steel Category, the first category which has been made refers to forging quality carbon steel. This is for the use of

"forging" only.... For the manufacture of steel wire ropes, wire drawing process has to be resorted to. There is no forging process.".....

On this, the Regional Manager wrote to the First respondent the impugned communication dated 2-9-1987. It is to the following effect :

..... This has reference to your various IPRS claims against export of steel wire ropes and claiming the price difference applicable for EN 8

DM Forging Quality Steel.

Your applications were considered and the matter was referred to the Ministry for obtaining certain clarifications. The Ministry vide its letter No.

12(4)/87-Ep (Engg.1) dated 12th August, 1987 has clarified that the price difference applicable for EN 8 DM steel to be taken into account only

where forging quality carbon steel is used for forging purposes for manufacture of the product exported. Since no forging process is involved in the

manufacture of steel wire ropes, the price difference applicable for EN 8 DM forging quality carbon steel cannot be considered; even the said

material is used in the manufacture of steel wire ropes exported by you.

This is for your information.....

22. Therefore, it could be clearly seen that at no point of time it was ever disputed about the use of Resulpharised Carbon Steel by the first

respondent. If it had been used as a fact, the appellants cannot wriggle out now and set up a new case. Why we are constrained to state this is that

on 30-12-1987, the Regional Manager, Engineering Export Promotion Council himself clarified the position thus :

.....

We have been advised by Ministry of Commerce vide their letter..... dated..... of reimbursement of price difference under the Alloy

Steel, when forging quality carbon steel ""is used in an item for any than forging, price difference will not be in relation to the Resulpharised

Carbon Steel (Semi-Tree cutting steel). In such an event, price difference will be applicable as a residual category of the mild steel regime. The

decision of the Government is applicable for export.... after 19th October, 1987.

Members are advised to make a note of the above and file the IPRS claims accordingly.

Under these circumstances, we come to the conclusion that the first respondent herein had manufactured the end product viz., wire ropes out of

forging quality carbon steel, which is provided by the invoice produced by the first respondent, and all requirements had been complied with. Thus,

there is no disputed question of fact, the only question being about the use of resulpharised carbon steel/forging quality carbon steel, which we have

found even so used.

23. With this, we go on to the second question as to what exactly is the scope of the Scheme. The entire International Price Reimbursement

Scheme - 1981 is produced.

Under that Scheme, it is stated as follows in para - (ii) :

.. THE NEED FOR IPRS, 1981.

JPC announced substantial increase in price of pig iron and steel on 9-2-1981. By virtue of this increase, domestic prices of steel became much

higher than the International prices of steel at which competitors of Indian products secure their raw material. Council, therefore, represented to the

Government that unless such a vital raw material as steel is made available to the Engineering exporters at international prices, they will be totally

priced out in the overseas market and exports of engineering goods will suffer considerably. The Government accepted Council's plea and

accordingly, IPRS '81 came into force on 9th February, 1981. Subsequently, following substantial increase in the various other items, the

Government has also agreed to include the following items under this Scheme effective from the dates mentioned against each :

With effect from

(a) Forging quality Carbon Steel. 17th March, 1982

.....

M.S. Wire rods is mentioned in para (iii) as Item No. 10. Resulpharised Carbon Steel is mentioned as item No. 14 of para (iii). In para (v), it is

mentioned as follows :

WHAT IS DOMESTIC PRICE ?

JPC plant price as on the date of export, for the category, quantity and size concerned, will be taken as domestic price. The Council has made

representation to the Government that stockyard charges being paid by the exporters should also be reimbursed under IPRS 1981. The

Government has accepted the Council's plea and agreed to reimburse the difference of stockyard charges (difference between the stockyard

charges in force on the date of export minus the stockyard charges in force on the date of export minus the stockyard charges as on 8-2-1981) on

the exports effected on or after 10-1-1986.

The difference in stockyard charges would be made applicable to the exporters

only when the claims are supported with Main Products Invoices.

In other words the exporters will not be eligible for the difference in stockyard charges when they submit their claim under ""NO MAIN

PRODUCER'S INVOICE SCHEME"". While preparing the claim, therefore, the exporters will have to go only by prices indicated in the JPC

announcements from time to time and not, repeat, not by the prices given in the main producer's invoices.

On further representation by the Council, the Government has agreed to reimburse the stockyard charges in full, on the exports effected on or after

13th November, 1986. Ministry's Notification in this regard is reproduced in Page No. 40(b).

Para-(vii) is as follows :-

... IPRS COVERS :

Mild Steel categories and pig iron supplied by any of the main producers of steel in India, i.e., either SAIL, TISCO or IISCO, are eligible for price

difference. In respect of forging quality carbon steel, subject to further certificate, and indemnity bond, as stated hereafter, invoice for supply of

forging quality steel by subsidiary producers, stockists or dealers are also acceptable. Further, no IPRS benefit is available against consumption of

any imported steel/or iron, including the materials supplied under Import Policy, against valid import licence. However, supplies made to exporters

under buffer import scheme of SAIL, at indigenous prices, would be available"".

24. As per the Scheme, two requirements are to be satisfied, namely, (i) the Indian manufacturer should use one or other of the iron/steel specified

in paragraphs (ii) and (iii) of the scheme in the manufacture of export products; and (ii) thereafter must actually export the finished products to

foreign countries, In support of that, he must produce proof that he purchased the raw material mentioned in paragraphs (ii) and (iii) in the local

market, by producing invoices. He must also produce a Chartered Engineer's Certificate to show that those raw materials were used in the

manufacture of the products.

25. In this case, the records clearly show that all those requirements have been satisfied by the first respondent. This is not denied before us. The

goods manufactured had been exported; the invoices had been produced and the Chartered Engineer's certificate had also been produced.

Where, therefore, one of the items mentioned, Resulpharised Carbon Steel (EN 8 DM) had been used, It cannot be contended by any stretch of

argument that the Scheme does not spell out a promise. We have already extracted the relevant portions of the Scheme. The Council made a

representation to the Government that stockyard charges being paid by the exporters should also be reimbursed. The Government accepted the

Council's plea. Then again, the detailed procedure has been set out in the Scheme in respect of submission of application, namely, as to where to

apply and how to apply, in paragraphs (xiii) and (iv) thereof. So in accordance with this, when the first respondent submitted applications, they

were forwarded by the Engineering Export Promotion Council, Southern Region, to the Engineering Export Promotion Council, New Delhi and

thereafter the matter was examined.

26. Now to say that the Scheme does not hold out a representation is something which we are totally unable to appreciate. As a matter of fact, in

the communication of the Government of India, dated 10th, December, 1985 sent to the Executive Director, Engineering Export Promotion

Council, it is stated thus :

...The decision to include the new categories of steel will be applicable on export made on or after 10th December, 1985...

Here again, Resulpharised Carbon Steel is one of the items mentioned and by this letter, an amendment took place to Entry 2.1 (xiv) and (xv).

27. Nobody can claim that the Scheme was a laborious exercise and nothing more than just a matter of information.

28. Further, a portion of the claim of the first respondent in relation to reimbursement was admitted by the appellants. In other words, instead, of

reimbursing on the price difference for forging quality carbon steel, the first respondent had been allowed the price difference for mild steel.

Certainly, if no promise had been held out or if the scheme is not inforceable, such payment of the price difference for mild steel would not have

been granted in favour of the first respondent herein. As correctly found by the learned single judge, the first respondent had made a claim in the

format that they had used forging quality carbon steel. In fact, the actual quantity utilised was also mentioned. They had enclosed along with their

application Chartered Engineer's Certificate certifying the use of the said raw

materials by them in the production of wire ropes. When a doubt was raised as to whether forging quality carbon steel can be used at all in the manufacture of wire ropes, they had produced a clarification issued by the D.G.T.D. dated 30-4-1987 clarifying that resulpharised carbon steel EN 8 DM is also used in the manufacture of wire ropes. We have already extracted this letter. Forging quality carbon steel and resulpharised carbon steel are similar in composition and form the same species of steel. Therefore, we reject the argument of the learned counsel for the appellants.

29. The last question which remains to be dealt with in W.A. Nos. 1570 to 1575 of 1983 is whether the appellants are authorities within the meaning of Art. 12 of the Constitution. Here we find no difficulty in holding that they are authorities within the meaning of Art. 12 for the following reasons :

The entire funds for the appellants in W.A. Nos. 1570 to 1575 of 1988 are provided by the Union Government. The Union Government has power to nominate members to the working committee, which manages the affairs of the Council and even in the Committee of Administration, the Government has a power to nominate members. The accounts and books of the Council should be made available for inspection by officer duly authorised in this behalf by the Union Government. The budget prepared by the Committee for each year shall be supplied to the Working Committee and to the Union Government and no expenditure shall be incurred until the budget is sanctioned by the Working Committee after containing approval from the Government and the Government shall have power to give directions to the Council as to the performance of its functions in matters, involving national security or substantial public interest and the council will be bound to give effect to the same and the Government shall have power to call for such reports, returns and other activities of the Council as may be required from time to time. Further, the Engineering Export Promotion Council is nothing more than a disbursing authority and the funds required for payment under the scheme are to be provided only by the Union of India. Therefore, the appellants in W.A. Nos. 1570 to 1575 of 1988 are clearly are agencies or instrumentalities of the Central Government and are amenable to writ jurisdiction.

30. In the result, the writ appeals fail and are dismissed with costs. Costs - Rs. 2,000/- (one set). The tank guarantee furnished, pursuant to the interim directions pending the writ appeal, will stand released.