

SHRI DAHYABHAI V. PATEL: May I ask whether the tender for the water pipeline has finally been awarded? If my information is correct, tenders were asked for once, then they were reinvited a second time and perhaps a third time. Has the difficulty of these tenders been finally overcome? And what is the difference between the tenders received on the first occasion and those received now in terms of price?

DR. D. S. RAJU: I have no information. I want notice for this question.

SHRI M. C. SHAH: May I know whether the site from which water is to be lifted from the Sabarmati River has been finally decided?

DR. D. S. RAJU: Yes, Sir. It has been decided. Originally, a site was chosen at Rinza but subsequently that site was washed away by floods in 1959 and consequently a separate site was selected about 5½ miles upstream. That site has been selected and approved by the Central Public Health Engineering Organisation, and the scheme is being processed.

*268. [The questioner (Shri Jogendra Singh) was absent. For answer, vide cols. 1983-85 infra.]

SHARAVATHI VALLEY SCHEME

*269. **SHRI MULKA GOVINDA REDDY:** Will the Minister of IRRIGATION AND POWER be pleased to state:

(a) the amount of money already spent on the Sharavathi Valley Scheme;

(b) whether any amount or amounts have been paid to some of the contractors in this project as awards arising out of arbitration; if so, how much and to whom the said amounts were paid; and

(c) whether any demands have been made for instituting a judicial enquiry into the working of this project including the payment of awards to the contractors?

THE MINISTER OF IRRIGATION AND POWER (DR. K. L. RAO): (a) Rs. 41.84 crores (from date of commencement upto 31st December 1963).

(b) Yes, Sir.

I. Arbitrator directed that a sum of Rs. 13,97,585 be paid to Mr. M. S. Ramiah and this was done. Also arbitrator fixed the rate to be paid for getting sand from outside the project area and Kargal and for obtaining face and cut stones from Siddapur quarries. The extra amounts paid on account of these is not available.

II. Arbitrator gave an award in favour of M/s Tarapore & Co. fixing the earth work rate for Lingam-Makki Dam at Rs. 245 for 2½ miles lead against an average rate of Rs. 187.5 per 1000 cft. offered to contractors originally. The extra amount of money paid on account of this is not available.

III. Arbitrator gave a total of Rs. 18,12,000 to M/s Boriah Basaviah and Sons as extras for supply of Burnt Hydraulic lime for Lingam-Makki and Talakalala Dam. The amount is not yet paid.

(c) Yes, Sir.

SHRI MULKA GOVINDA REDDY: May I know, Sir, when these schemes will be completed, what will be the cost, when the power will be generated and in what stages it will be supplied to the people concerned?

DR. K. L. RAO: Of the Sharavathi project, stage 1 is expected to be completed this year. Probably, the first machine is expected to go into commission somewhere in July this year or latest in December. After that the second unit will go into commission next year. The second stage which will consist of installing another six units is also taken up almost simultaneously, and we expect that before the end of the Third Plan it will be possible to go in at least for three units.

SHRI MULKA GOVINDA REDDY: May I know, Sir, whether the Government is aware that charges of corruption were made against the Government with regard to the payment of compensation of nearly Rs. One crore to these three contractors during the discussion on the No-Confidence Motion in the State Assembly of Mysore?

DR. K. L. RAO: Sir, so many vague allegations have been made. Whatever enquiries have been made show that there was no *prima facie* case in any of these.

SHRI MULKA GOVINDA REDDY: May I know, Sir, if the Government are aware that this demand for a judicial enquiry has been made by Opposition parties and also some leading Congressmen including some ex-Ministers of Mysore?

DR. K. L. RAO: Some allegations have been brought to the notice of the Government of India. They were very carefully examined. As I submitted just now, we found that there was no *prima facie* case for any further enquiry.

SHRI A. D. MANI: May I know, Sir, if the Government's attention has been drawn to a press conference proceedings held in April in Bangalore about three weeks ago about important members of the Congress Party, including Ministers, when details were given about the alleged corruption in this project? Has the Government at least sent the papers concerned to the Anti-Corruption Directorate of the Home Ministry for investigation?

DR. K. L. RAO: As I said, Sir,—and I again repeat—it is very unfortunate that the members reported are Congress members. The allegations that were sent by some of these people have been enquired into. When there was no *prima facie* case, I do not see why any further proceedings should be taken up.

SHRI J. VENKATAPPA: May I know, Sir, from the hon. Minister whether it is a fact that the arbitrators were also influenced by the contractors who got the awards in their favour in addition to the misuse of the earth materials on the spot by the personnel in charge of the project?

DR. K. L. RAO: I could not follow.

SHRI J. VENKATAPPA: May I know, Sir, whether it is a fact that it has been alleged that the contractors have been successful in influencing the arbitrators to get the award in their favour in addition to the fact of the misuse of materials on the spot by the personnel in charge of the project?

DR. K. L. RAO: I am afraid we cannot accept the allegation that the arbitrators were influenced. The arbitrators were all men of integrity and the Government of Mysore could not find anything *mala fide* against the arbitrators. And that is why the amounts were paid.

SHRI DAHYABHAI V. PATEL: In view of the very serious allegations made and the misunderstanding prevailing in the public mind, will the Government consider the suggestion of appointing a High Court Judge to go into these allegations just to clarify its own position?

DR. K. L. RAO: I am afraid, Sir, I have got to say again that we are not convinced about any alleged serious allegations in this case. The awards were made after considerable discussion and after considerably going into the various details.

SHRI BHUPESH GUPTA: Sir, you must have noted that earlier in reply to the supplementary the hon. Minister said that it was "unfortunate"—he used that word—that certain Congressmen made allegations. Do I understand, Sir, that it would be fortunate when the Congress Members, even when they come to know something, do not make allegations? I should like to know.

MR. CHAIRMAN: It is not very material information that you are seeking.

SHRI BHUPESH GUPTA: Because their conception of being unfortunate and fortunate is like this. When you conceal things, you are supposed to be fortunate. And when you do not conceal, you are unfortunate. This is the thing. Since the allegations came, among others, from Congressmen, what concrete steps did the Government take in order to have them investigated by an impartial body? Why was it not done and the matter was left to the Government?

DR. K. L. RAO: When I said "Unfortunate", I meant that the ruling party there, the Government there, is a Congress Government. And obviously these Congressmen could have gone to the Government and explained things to them and discussed with them. Instead of doing that, they have resorted to sending some vague allegations to the Centre. That is why I said "Unfortunate".

SHRI BHUPESH GUPTA: Who runs the Central Government? Congress, I believe.

DR. K. L. RAO: All that I meant was that being the same party they could have had much easier access and they could have greater facility for explaining their differences. And so far as the allegations are concerned, there were two allegations made. In both the cases very careful consideration was given and it was found that there was absolutely no justification whatsoever for proceeding further in that. It would be sheer waste of time to have gone into any judicial enquiry.

SHRI ARJUN ARORA: May I remind the honourable and learned Minister that the Chief Minister of Mysore promised a judicial enquiry in this case which involved the payment of huge amounts to contractors for doing nothing? On the face of this assurance given by the Chief Minister of

Mysore, how does the learned Minister say that there is no case for further enquiry?

DR. K. L. RAO: I am not aware of any such assurance. Now, Sir, the Mysore Government has issued a White Paper. And here I can assure the hon. Member that nobody pays for doing nothing.

SHRI CHANDRA SHEKHAR: Sir, may I know from the hon. Minister who were the arbitrators in this case and what machinery was employed to investigate the *prima facie* case, whether the Attorney-General or any other man was consulted in this matter or only the Irrigation Ministry investigated the case and found out that there was no *prima facie* case?

DR. K. L. RAO: There were three arbitration cases, not one. The names of the arbitrators are given in the White Paper. I would request the hon. Member to see the names there. So far as the enquiries by the Central Government are concerned, it is the Ministry that has done it. Normally, naturally, there was no necessity of going to the Attorney-General.

*270. [The questioner (Shri Sitaram Jaipuria) was absent. For answer, vide col. 1985 infra.]

WEALTH-TAX

*271. SHRI DAHYABHAI V. PATEL: Will the Minister of Finance be pleased to state the number of persons in the country who are assessed to Wealth-tax on a property of over Rupees twenty lakhs; how many of them are members of a Joint-Hindu family and how many are individuals?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI TARKESHWARI SINHA): As on the 31st March, 1963: The number of individuals and Hindu Undivided Families having 'net wealth' of over Rs. 20 lakhs on the basis of their last completed assessment to wealth-tax or