

scheme according to the opinion of their technical experts, since it will be useful for flood control as well as for increased food production?

SHRI S. K. PATIL: The usual procedure followed in these cases is this: It is for the State Government to enumerate all the feasible schemes, and then they come to the Centre so that the technical and financial aspects could be examined. It is the State Government which takes the initiative in the matter. It is for them to suggest whether they could proceed with the work. In this particular case, the State Government has given that diversion scheme as an alternative scheme, and they are giving a trial to it. Therefore, we have no remedy in the matter.

CANAL WATER DUES FROM PAKISTAN

***35. SHRI MAHESWAR NAIK:** Will the Minister for IRRIGATION AND POWER be pleased to state:

(a) the extent to which Pakistan has fulfilled her obligation in respect of payment of Canal water dues to India as against the total dues agreed upon; and

(b) whether it is a fact that the stipulated quarterly payments have been withheld for long by Pakistan; and if so, what effective steps Government propose to take to enforce the agreement?

THE MINISTER FOR IRRIGATION AND POWER (SHRI S. K. PATIL): (a) and (b). Under the Indo-Pakistan Agreement of the 4th May 1948, on the Canal water dispute, Pakistan agreed to deposit, in the Reserve Bank of India, such *ad hoc* sums as may be specified by the Prime Minister of India. Out of these sums, Pakistan further agreed to transfer to Punjab (I) Government, sums over which there was no dispute. Pakistan fulfilled her obligation up to the period ending the 30th June 1950, after which she has made no deposits on account of "disputed" charges. The matter is under correspondence bet-

ween the two Governments. As regards the "Undisputed" charges, these have been paid almost in full upto the quarter ending 31st December 1956.

SHRI MAHESWAR NAIK: May I know what are the total dues outstanding against Pakistan up-to-date?

SHRI S. K. PATIL: So far as the undisputed dues are concerned, they come to Rs. 18,41,821. So far as the disputed dues are concerned, they come to Rs. 81,93,095.

SHRI MAHESWAR NAIK: May I know what is the amount that Pakistan Government has so far paid?

SHRI S. K. PATIL: I have said that so far as disputed dues are concerned, upto 30th June 1950 they have paid in full. After that they have not paid. So far as the undisputed dues are concerned, they have been paying fairly regularly although now the outstanding is in the neighbourhood of Rs. 18 lakhs.

SHRI K. S. HEGDE: What steps are being taken to collect the arrears of the dues?

SHRI S. K. PATIL: This thing is diplomatically and otherwise being handled by the World Bank and everything is being done so that so far as the undisputed dues are concerned, they should be deposited when they are due. So far as the disputed ones are concerned, the matter is under investigation of that Bank and we have just now given them a period upto 30th September for the cooperative efforts that are being made on either side.

(Interruptions.)

SHRI K. S. HEGDE: Will the hon. Minister assure the House that if they do not pay the dues by the end of September, that further water will not be let out to them?

SHRI S. K. PATIL: There is no assurance needed on that question. So

long as this question is being handled pay a third party which is a friendly party, we must not do anything before that time. That would have some kind of consequence on the course of events to come.

(Interruptions.)

DR. D. H. VARIAVA: Will he let us know what are the disputed points in this matter?

SHRI S. K. PATIL: You want the disputed charges? Difference on account of interest charge at 4 per cent on the capital cost at four times and twice the booked outlay of the Madhopur headworks.

SHRI V. K. DHAGE: What exactly is the dispute in regard to the payment of the dues over which Pakistan is not paying the dues? That is the question.

MR. CHAIRMAN: Rate of interest.

SHRI J. S. L. HATHI: So far as the undisputed items are concerned.....

MR. CHAIRMAN: We don't want that.

SHRI J. S. L. HATHI: So far as the disputed items are concerned, it is the calculation of the rate of interest on the capital works and some other charges. They are calculating at a certain percentage of book value. We are considering the book value at a certain amount. We are calculating the rate of interest at four times the book value. They say that it should be twice the book value. That is the difference.

SHRI V. K. DHAGE: Do the Pakistan Government pay that which they agree—whether it is 2 per cent. or 3 per cent.?

SHRI S. K. PATIL: Now the money had to be deposited in ESCROW account and they did it upto 30th June 1950. Therefore so far as the quantum or percentage of money to be put is concerned, it was naturally

agreed otherwise they would not have paid up to that. After that they have not paid.

SHRI V. K. DHAGE: Do the Pakistan Government

MR. CHAIRMAN: What he says is this. If they agreed to twice and we charged four times, let them pay twice without prejudice to the other 'twice'.

SHRI S. K. PATIL: This ESCROW is something of that description because after all it was an agreement between three parties—ourselves, Pakistan and the World Bank and that is why they were paying and if they have not paid now for the last 6 or 7 years, the matter is under discussion as I said and since we have committed ourselves to waiting until 30th September, it is no use having that question further investigated at this stage.

SHRI KAILASH BIHARI LALL: Is the Government satisfied that the point of dispute that Pakistan has raised is genuine or is it only to delay payment?

SHRI S. K. PATIL: That would be simply an one-sided answer because as I said, a third party is involved in the question. I think it will be wise and diplomatic for us to hold ourselves until 30th September.

TELECOMMUNICATION FACILITIES IN ORISSA

*36. SHRI MAHESWAR NAIK: Will the Minister for TRANSPORT AND COMMUNICATIONS be pleased to refer to the reply given to Starred Question No. 339 in the Rajya Sabha on the 25th May 1956 and state:

(a) what progress has so far been made in the matter of providing telegraph facilities and public call offices in the sub-divisional headquarters in Orissa; and

(b) by what time the provision of such facilities is expected to be completed?