

State and a heavier taxation in another. There is double taxation in some places.

Shri Raj Bahadur: About that, we have taken certain steps. All States have now agreed that wherever there used to be double-point taxation, there will be single-point taxation. That particular decision is under implementation.

Mr. Speaker: All the same it is heavy.

Shri Raj Bahadur: I have not disputed that it is heavy. It is no doubt heavy. But the transport industry has been able to bear it. That is also a plea made.

Shri Nath Pai: Is it true that the taxation on vehicles in India is the heaviest in the world?

Shri Raj Bahadur: That is also alleged. I have not been able to assess really whether it is so, but by and large it appears to be correct.

Mr. Speaker: All that hon. Members want to know is whether by reduction of this taxation, there would not be a greater possibility of transporting coal.

Shri Raj Bahadur: That is evident. If taxation is reduced, the cost of transportation will also come down.

Mr. Speaker: Hon. Minister should give some kind of satisfaction. I am not myself satisfied. Very often this question has come up. I once said that I would appoint a Committee here to co-ordinate operation between the railway authorities and coal authorities, as regards transportation. I received a letter from the hon. Minister saying that there is already a Cabinet Sub-Committee which is looking into the matter. It has been suggested that coal may be transported by road. Of course, reduction of tax always involves some kind of loss to the State. But if they are not able to transport the goods, why should there not be a reduction of taxation? We have seen that even students have begun to

strike on this score. I get a number of adjournment motions almost every-day. The other day there was an adjournment motion on the ground that students could not go to college. It was admitted that it is so, and it is being eased. How long is this to go on?

Shri Braj Raj Singh: As long as they are in power.

Mr. Speaker: It requires a comprehensive answer from the hon. Minister to know what the position is. Why not Government reduce taxation so as to ease the situation by encouraging traffic? There is no answer to that.

Shri Raj Bahadur: On road transport, there are three types of taxations. One is by the Centre, the other is by the States and the third is at the municipal level. We have tried our level best to rationalise the tax structure so far as road transport is concerned. Many steps have been taken including the one of elimination of double-point taxation. Other steps regarding consolidation of taxes, abolition of octroi etc. also are being taken. All have the same end in view, namely, to reduce the burden of taxation on road transport.

Secondly, we are also trying to improve the road surface so that a higher laden weight may be transported. All these factors can operate in bringing down the cost of operation of road transport. The intentions of Government are clear.

An Hon. Member: Are there any results?

Shri Tyagi: What about reduction in the price of diesel oil?

Mr. Speaker: We are going to another matter. Next question.

D. V. C. Project

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*539. { **Shrimati Maimoona Sultan:**
Shri Indrajit Gupta:

Will the Minister of Irrigation and Power be pleased to state:

(a) whether it is a fact that the Chairman of the Damodar Valley

Corporation has stated on the 20th September, 1961 that the actual cost of the D.V.C. project is going to exceed the estimates by threefold;

(b) if so, whether the Chairman's assessment of costs is correct; and

(c) Government's reactions thereto?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) to (c). A statement is laid on the Table of the House.

STATEMENT

In an informal speech on the 20th September, 1961, the Chairman, Damodar Valley Corporation, stated that the cost of the Damodar Valley project would be three times higher than the original estimate of Rs. 55 crores as prepared by Mr. Voorduin. Voorduin's estimate was only a broad indication, based on very rough data available at that time. The first attempt to prepare a detailed, realistic estimate of the cost of the first phase projects of the Damodar Valley Corporation was made in 1951. This estimate was placed at Rs. 74.98 crores.

Subsequently, the scope of the approved schemes was increased and certain additional schemes were also sanctioned for execution from time to time. This accounts for the major part of the increase in the expenditure programme of the Damodar Valley Corporation. The estimate, as it stands now, works out to Rs. 166.45 crores. The other contributory causes leading to the increase in the overall cost of Damodar Valley Corporation projects are:—

1. Increase in the cost of machinery, materials and labour;
2. low output of machinery due to comparative inexperience of operating personnel at the earlier stages;
3. additional cost of land acquisition;
4. increased cost on personnel owing to protraction of construction schedules caused by delay in availability of some of the essential equipment;
5. heavier cost of repairs and inadequate provision for spare parts in case of earth and rock moving equipment.
6. construction of diversion roads, provision of terminal facilities in the Navigational canal, etc.; and
7. repairs to excavations and structures damaged by flood.

The Government of India are aware of the above position.

Shrimati Maimoona Sultan: May I know whether it is a fact that top heavy administration at the project is responsible for this heavy increase in expenditure? May I also know whether it is a fact that since Government failed to shift the headquarters of DVC from Calcutta to the project area, it has resulted in an enormous increase in expenditure? If so, what steps have been taken to remedy the situation?

Shri Hathi: These are not the reasons primarily responsible for increase in the cost of the project. The main reason is the expansion of the scope of the project from 3 lakh kw. to 8 lakh kw. That by itself means an increase of Rs. 67 crores.

Shrimati Maimoona Sultan: May I know what is the total revenue expected from the power supplied to industries in West Bengal and Bihar from the project?

Shri Hathi: I require notice.

Shri Tangamani: The original estimate was Rs. 55 crores. Subsequently, it was increased to Rs. 64 crores. The present estimate is Rs. 166 crores. May we know whether this is the final estimate or whether it is also likely to increase?

Shri Hathi: This is final provided there is no increase in the cost of

materials. If there is an increase in the cost of cement, steel and power equipment, it may go higher.

Shri Hem Barua: Why is it that the DVC project suffers from a sort of rubbery elasticity, because the estimates are never fixed? This produces a very bad impression in the country.

Shri Hathi: The hon. Member is right in saying that the estimate has gone on increasing, but there is no question of creating any bad impression, because as I have just said, the benefit has also increased from 3 lakh kw. to 8 lakh kw. That by itself accounts for an increase of Rs. 67 crores. If we take the original cost of the project and the benefits as originally estimated and compare them with the present figures, the rise would not be so much. If we go on increasing the scope irrigation benefits, power benefits and so on, naturally the estimate goes higher.

Shri Morarka: As has been mentioned by the hon. Member, from the original estimate of Rs. 25 crores, it has gone to Rs. 160 crores.

Shri Hathi: Not Rs. 25 crores.

Mr. Speaker: Was the original estimate Rs. 25 crores?

Shri Hathi: If he bases his question on my reply, that is a different matter. There is no original estimate of Rs. 25 crores.

Mr. Speaker: The original estimate was Rs. 65 crores.

Shri Morarka: Very well, I stand corrected. When the original estimate was Rs. 65 crores, and now it has gone up to Rs. 165 crores, may I know, before the estimates are revised and expansion of the scheme is sanctioned, at what level these things are considered and sanctioned, and whether any sanction for the financial allocation is taken from Parliament also?

Shri Hathi: That is perfectly correct. We have to make a distinction between a project as it is, and its ex-

pansion. In the DVC, for example, we have thought of adding one set—the fourth generator of 75,000 KW. It comes before the House for financial sanction whenever we put up any new project. Secondly, we are adding two generating sets of 75,000 KW each at Durgapur.

Then we are having two more of 125,000 KW each at Chandrapur. That means, it is not the same project as originally envisaged. Actually, these are new projects in a way, which are placed before the House and financial sanction is obtained. It is not as if the original project remains as it is, and still the cost goes on increasing.

Shri Supakar: It appears, as the hon. Minister has not clearly contradicted it, that the original estimate was only about Rs. 65 crores and now it is about Rs. 165 crores. The original target of electricity generation was 3 lakhs KW, whereas now it is 8 lakhs. Having regard to the additional benefit secured, the increase in the cost seem to be too high. Is it not correct?

Shri Hathi: No. It is not too high when compared to the present costs.

Shri Yadav Narayan Jadhav: May I know when the final phase of this DVC project will be completed?

Shri Hathi: As soon as we stop giving more and more benefits of power and irrigation.

Shri Aurobindo Ghosal: May I know if the participating Governments in the DVC project are being consulted before further investment?

Shri Hathi: By all means they are being consulted.

Shrimati Maimoona Sultan: There was a demand from the Government of Bihar that the headquarters of this project should be shifted from Calcutta to the project area. May I know what became of that?

Shri Hathi: The matter was considered at an inter-State conference

between Bihar, West Bengal and the Central Government.

Shrimati Maimoona Sultan: There was an agreement I suppose.

Shri Hathi: The West Bengal Government have agreed to shift the headquarters, and the operational staff is being shifted now to Maithon.

Floods in Orissa

*540. **Shri Supakar:** Will the Minister of Irrigation and Power be pleased to state:

(a) whether the Government of Orissa have sent proposals for taming the rivers Brahmani and Baitarni in Orissa to save the State from devastation by floods; and

(b) whether the proposals have been examined and the likely expenditure involved?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The Government of Orissa have, in their long range plan to tame the rivers Brahmani and Baitarni, included proposals for a dam on Brahmani at Rengali costing Rs. 193 lakhs for flood portion, and a dam on Baitarni at Bhimkund costing Rs. 553 lakhs for flood protection. They have also proposed in the same plan embankments on Brahmani at a cost of Rs. 331 lakhs and on Baitarni at a cost of Rs. 97 lakhs for the Third Five Year Plan they have proposed schemes of embankments etc. only costing Rs. 80 lakhs.

(b) The scheme of a multipurpose dam at Bhimkund on Baitarni at a cost of Rs. 61.73 crores was received from the State Government but was returned as it needed further investigations.

No scheme for a dam across Brahmani has yet been received from the State Government. Similarly no scheme of embankments etc. has yet been received from the State Government. As such the question of examining them does not arise.

Shri Supakar: May I know if any of these projects is likely to find a place in the Third Plan?

Shri Hathi: I do not think.

Shri Panigrahi: May I know whether, besides this long-range programme of 15 years, the Government has made any short-range programme so that floods in Orissa can really be successfully checked? Is there any such programme which can be implemented?

Shri Hathi: Yes, Sir. Short-term plans are there.

श्री विभूति मिश्र : क्या मैं जान सकता हूँ कि इन फ्लड्स कंट्रोल स्कीम्स से गन्ने की पैदावार कितनी अधिक बढ़ जायेगी ?

Shri Hathi: I have not got the figures, but the Kosi embankment has certainly benefited the whole of the area. I cannot give the figures as to how much increase in the production of foodgrains will be there, but it has been there.

Shri S. C. Samanta: May I know whether these three proposals have been recommended by the Flood Enquiry Committee which has submitted its report recently?

Shri Hathi: The recent flood control body did not examine them because the schemes were not ready, but the high-level committee on floods did recommend these schemes.

Shri Supakar: For the Third Plan, the Government of Orissa sent schemes costing about Rs. 42 crores for flood protection in the entire State. Have any of those schemes been accepted by the Centre; if so, what is the amount likely to be sanctioned during the Third Plan for flood protection in Orissa?

Shri Hathi: Schemes are accepted or approved by the Central Flood Control Board after they are technically examined. As these schemes