

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6930
ANSWERED ON:07.05.2010
REPRESENTATION FROM CIDT
Pal Shri Jagdambika

Will the Minister of FINANCE be pleased to state:

- (a) whether a representation has been received from the Centre for International Development and Training (CIDT) University of Wolverhampton, UK regarding misconception in the treatment of corporate taxation in World Bank procurement procedures during the month of April, 2009;
- (b) if so, the details thereof and the response thereto;
- (c) whether opinions of prominent personalities from India are quoted in the representation;
- (d) if so, the details thereof and reaction of the Government thereto: and
- (e) the steps taken or proposed to be taken to take a fair disposal of the representation received in accordance with the Constitution of India and laws of the land?

Answer

THE MINISTER OF STATE FOR FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (e): Centre for International Development and Training (CIDT), University of Wolverhampton, U.K. has sent a representation dated 11th April, 2009/ In the representation they have alleged 'misinterpretation of Government of India laws and World Bank Guidelines for appointment of a Project Management Support, Monitoring and Learning Consultancy under the World Bank assisted 'Madhya Pradesh Water Sector Restructuring Project (MPWSRP)'. .

The representation encloses three opinions including that of a former Chief Justice of India. These opinions are on Request for Proposal (RKP) for the Monitoring & Learning Consultancy in the MPWSRP, treatment of withholding tax in the World Bank assisted projects, etc. Department of Economic Affairs deals with policy issues relating to externally assisted projects. Operational issues are handled by the respective project implementing authorities, like State Governments, Ministries/Departments of Government of India or even autonomous bodies. Such operational issues include setting up of Project Monitoring Units (PMUs), procurement and execution of work as well as their monitoring & evaluation.

This project is a state sector project which is being implemented by Government of Madhya Pradesh. The Project Implementation & Coordination Unit (PICU) in the Water Resources Department, Government of Madhya Pradesh have not awarded any contract on 'Project Management Support, Monitoring and Learning Consultancy'. When the contract has not yet been awarded, any question of erroneous interpretation of any provision would not arise.