

**CALLING ATTENTION TO A
MATTER OF URGENT PUBLIC
IMPORTANCE**

**ALLEGED WASTAGE OF PUBLIC FUNDS IN
D.V.C. PROJECT**

Shri Thanu Pillai (Tirunelveli):
Sir, under Rule 216, I beg to call the attention of the Minister of Planning and Irrigation and Power to the following matter of urgent public importance and I request that he may make a statement thereon—

“The statement made by Shri P. S. Kumaraswamy Raja regarding waste of public funds in the D. V. C. Project.”

The Minister of Planning and Irrigation and Power (Shri Nanda): Mr. Speaker, Sir, my attention has been drawn to a statement reported to have been made by Shri Kumaraswamy Raja on the Damodar Valley Corporation projects on the 29th August, 1956. The grounds on which he appears to have come to the conclusion that there is a waste of public funds in the D. V. C. projects are that he saw about half a dozen Executive Engineers under a Superintending Engineer working at the dam site whereas only one Executive Engineer was in charge of the construction of the Lower Bhawani Dam.

Secondly, concrete had been used for the construction of the spillway portion of the dam in the Damodar Valley project whereas stone was used for the construction of the spillway portion of the Lower Bhawani Dam project.

The Chairman, Demodar Valley Corporation, has already issued a statement in the Press contradicting the allegations regarding wasteful expenditure in the Damodar Valley Corporation.

On the question of the disparity in the supervisory staff employed at the two projects, the fact that only one Executive Engineer was in charge at the Lower Bhawani Dam cannot be considered as ideal or even a satisfac-

tory arrangement. It is not possible for one Executive Engineer to supervise effectively the work of more than 4 or 5 Assistant Engineers. At the Lower Bhawani project, 21 Assistant Engineers appear to have been placed under the charge of one Executive Engineer. We are not aware of the special situation in which the somewhat unusual type of organisation was set up. The supervisory staff engaged at Maithon cannot be considered to be excessive when compared to the supervisory staff engaged on projects of comparable size. All staff proposals are carefully examined by the Corporation in consultation with their Financial Adviser. No cases of extravagance in the appointment of staff have been brought to the notice of the Government of India either by the Financial Adviser or by the Chief Auditor.

A comparison of the overall rates at which the work is carried on, after making due allowance for the difference in local conditions, would be a more reliable index of wasteful expenditure than an *a priori* conclusion based on the presence of half a dozen Executive Engineers on a Project. A major item of work available for comparison on the Maithon Dam and the Lower Bhawani Dam Projects is ‘earthwork’. We had occasion, some time ago, to compare the earthwork rates obtaining at Lower Bhawani as a claim had been made that the earthwork rate at Lower Bhawani was as low as Rs. 48 per 1000 c.ft. for a two mile lead while the rate at Hirakud was nearly double that figure. An on-the-spot study of the rate was carried out independently by the officers of the Central Water and Power Commission and the Damodar Valley Corporation. Their conclusions were practically the same, namely, the low rates claimed for Lower Bhawani were not substantiated by facts when all relevant cost items were taken into account. The rates obtaining at Maithon, although higher, are not out of line with those of Lower Bhawani when both are reduced to a common denominator and when due allowance

[Shri Nanda]

is made for variations in local conditions. Lower Bhawani is located in an area where there is plenty of cheap labour, while Damodar Valley Corporation Projects are situated in highly industrialised areas. The daily wages for unskilled labour at Maithon were nearly 100 per cent. higher. The frequent labour disputes of Maithon to an extent added to increased costs there. Also, the working season at Maithon where rainfall is heavy is appreciably shorter than at Lower Bhawani where there is scanty rainfall and the work can be practically done throughout the year without interruption.

The material to be used in the construction of a dam has to be selected after taking into consideration the local conditions. As pointed out by the Chairman, Damodar Valley Corporation, we have to be guided by technical opinion in this matter. Shri Kumaraswamy Raja has apparently referred to the Maithon Dam in his speech. The economics of construction of the dam were fully investigated before its construction was taken up. South India has abundant stone deposits of suitable quality for use in masonry construction, and it is, therefore, economical in most cases to construct masonry dams in that area. In the Northern and Southern regions of the Gangetic Basin suitable stone is not readily available and the cost of its transportation from distant places will be considerable. Furthermore, the transport of stone by rail would impose an additional strain on an already overstrained transport system. It was on the advice of top ranking engineers, who were consulted on the subject, that concrete was selected as the most suitable construction material for the Damodar Valley Corporation Dams.

Shri S. V. Ramaswamy (Salem): Was Shri Kumaraswamy Raja making that statement as Governor of Orissa?

Shri Nanda: There was a speech there and we learn from the Private Secretary to the Governor that it was

an *extempore* speech and there was no record. Only Press reports came to us.

BUSINESS OF THE HOUSE

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): As the business for the next week has already been announced, I have nothing to say except this.

With regard to Shri Matthen's motion, however, it has been suggested to me that discussion on Dr. Appleby's Report on India's Administrative System may be arranged earlier than the end of the day on 13th September. That was the previous suggestion made. I have no objection to this, and I would suggest, if you approve, Sir, that this two-hour discussion may take place after the Question Hour on the 11th or 13th September rather than from 5 to 7 P.M. on the last day of this session. Because the Prime Minister is dealing with this thing in the Rajya Sabha on the 12th, it can be either on the 11th or 13th in this House after the Question Hour.

Shri Matthen (Thiruvellah): Dr. Appleby's Report has a great bearing on the Second Plan.

Some Hon. Members: We suggest 11th.

Shri Kamath (Hoshangabad): The Scheduled Castes and Scheduled Tribes Orders (Amendment) Bill is due on Monday. May I request you to postpone it to Tuesday, instead of Monday, so that the Second Plan may continue on Monday, if the House is agreeable?

Mr. Speaker: After all, it starts today, and if the discussion on the Plan has to be interrupted, why should it not be interrupted on Monday? After all, let that Bill be finished and then we will have a stretch of days in which we can discuss the Plan.

Shri Kamath: If you will pardon me, it is for a personal reason, Sir the President is visiting my constituency on Monday and I have got to be