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**STANDING COMMITTEE
ON AGRICULTURE
(1996-97)**

ELEVENTH LOK SABHA

**MINISTRY OF WATER
RESOURCES**

DEMANDS FOR GRANTS (1996-97)

FOURTH REPORT



समयैव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

August, 1996/Bhadra, 1918 (Saka)

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N6.4;2

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(ELEVENTH LOK SABHA)

MINISTRY OF WATER RESOURCES
DEMANDS FOR GRANTS (1996-97)



Presented to Lok Sabha on 29 August, 1996
Laid in Rajya Sabha on 29 August 1996 on

LOK SABHA SECRETARIAT
NEW DELHI

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Eighth Edition) and Printed by S. Narayan & Sons, B-88, Okhla Industrial Area, Phase-II, New Delhi-110020.

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COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE
(1996-97)

Shri Santosh Kumar Gangwar — *Chairman*

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2. Shri P.D.T. Achary — *Director*
3. Shri S. Bal Shekar — *Under Secretary*
4. Shri U.C. Bhardwaj — *Reporting Officer*

PREFACE

I, the Chairman, Standing Committee on Agriculture having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report on Demands for Grants of the Ministry of Water Resources for the year 1996-97.

2. The Standing Committee on Agriculture was constituted on 1st August, 1996. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Departments and made a report on the same to the Houses. The report shall not suggest anything of the nature of Cut motions.

3. The Committee took evidence of the representatives of the Ministry of Water Resources on 14th August, 1996. The Committee wish to express their thanks to the officers of the Ministry of Water Resources for placing before them the material and information which they desired in connection with the examination of Demands for Grants of the Ministry for the year 1996-97 and for giving evidence before the Committee.

4. The Committee considered and adopted the Report at their sitting held on 23rd August, 1996.

NEW DELHI ;
29 August, 1996
7 Bhadra. 1918 (Saka)

SANTOSH KUMAR GANGWAR,
Chairman,
Standing Committee on Agriculture.

CHAPTER I

MINISTRY OF WATER RESOURCES — AN INTRODUCTION

Historical Background

At the time of Independence, the subject of irrigation was under the control of Department of Industry and Labour but the subject of minor irrigation (tanks and wells) was handled by the Department of Agriculture. Subsequently, the Department of Irrigation was put under the Ministry of Irrigation and Power and the Ministry of Agriculture and Irrigation intermittently till 1980 when a separate Ministry of Irrigation was formed. Ministry of Water Resources in its present form came into being only in September, 1985.

1.2 There are two attached offices, six subordinate offices, three statutory bodies, two autonomous bodies and two public sector undertakings under the administrative control of the Ministry. There are also a number of Boards and Committees concerned with specific Inter-State Projects.

Role & Functions

1.3 Since 'water' being a state subject, the role of the Central Ministry of Water Resources has been advisory to the State Governments for sustained development of water resources in the country. The main function of this Ministry is essentially of a catalytic nature in implementing the programmes and schemes launched for development of water resources in the country. Hence, the overall role and responsibility of the Union Ministry of Water Resources is to lay down policy guidelines and programmes for the development and regulation of the nation's water resources both surface and ground in a holistic manner. The major role entrusted to this Ministry encompasses sectoral planning, co-ordination, policy guidelines, technical examination of major and medium projects, technical assistance, monitoring of selected projects, monitoring the changing behaviour of water resources both surface and ground, facilitation of external assistance and resolution of water disputes. In major and medium irrigation Central Government's participation has been indirect, such as running national level institutions, operating pilot schemes, offering consultancy and training etc. In minor Irrigation and Command Area Development, Central Government participates in a more direct and concrete manner by providing matching grant to sponsored schemes and extending assistance in the form of central assistance or block loans.

Budget

1.4 In the Water Resources sector, the Central Budget enables the Ministry of Water Resources and its related Organisations to play an overall guiding and co-ordinating role in relation to schemes, projects and programmes which take place

essentially in the States. There is only one project viz. Farakka Barrage Project, which is primarily a navigation project, under this Ministry because in terms of the skills and disciplines involved, it is similar to other hydraulic projects within the ambit of this Ministry. Irrigation being a State subject, all irrigation projects including multipurpose are planned, formulated, executed and funded by the State Governments out of their plan resources by according inter-se-priority. In the Water Resources Sector, substantial provisions are made in the State Plan. Thus, the budget of the Central Government is substantially supplemented by funds provided in the budgets of the various State Governments.

1.5 Although Irrigation Sector is a priority sector, plan allocation which was 18.7% of the total first plan was reduced to 8.9% in the 7th Plan. Over the last 42 years around Rs. 53,000 crores (including Rs. 7050 crores of institutional financing) have been directly invested by the public sector for various categories of water development works by the end of the March, 1992. This is besides other direct investments made by the public sector mainly as subsidies to minor irrigation development through other programmes.

1.6 During the 8th Plan, of the total plan size of Rs. 434000 crores, I&CAD and Flood Control Sector has been allocated Rs. 32525 crores which constitutes 7.5% which is the lowest so far. In the States for the VIII Plan, percentage allocation for irrigation goes upto a maximum of 33% but hovers around 15% for major States. In the Central Sector, allocation in the I&CAD Sector in the 8th Plan is only Rs. 1500 crores which is about 0.6% of the Central Plan. The State and Central Water Sector provisions are in 95:5 proportion. During the 8th Plan the following budgetary provisions are made under I&CAD :—

Sl. No.	<i>(Rs. in crores)</i>			
	<i>8th Plan</i>			
	<i>Centre</i>	<i>State</i>	<i>Total</i>	
1.	Major & Medium Irrigation	95	22320	22415
2.	Minor Irrigation	293	5684	5977
3.	Command Area Development	830	16801	2510
4.	Flood Control	282	1341	1623
	Total	1500	31025	32525

1.7 In addition, an outlays of Rs. 166 crores under the VIII Plan was provided to the Ministry of Water Resources under the Transport Sector for Farakka Barrage Project primarily as a navigational project.

1.8 VIII Plan Outlays and Expenditure during first four years of Eighth Plan (from 1992-93 to 1995-96) for the Ministry of Water Resources.

Sl. No.	Name of the Scheme/ Project/ Programme	Eighth Plan Approved Outlay	1992-93				1993-94				1994-95				1995-96				1996-97 B.E.	Likely Percentage Expenditure during last four years (Col. 5+8+11+14) against Col. 3
			Appr. over	Actual Expd.	Short-fall	Outlay	Appr. over	Actual Expd.	Short-fall	Outlay	Appr. over	Actual Expd.	Short-fall	Outlay	Appr. over	Actual Expd.	Short-fall	Outlay (R.E) (B.E)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17				
			0.29	0.19	0.10	0.29	0.30	0.08	0.29	0.25	0.04	0.29	0.33	0.04	4.26	114.0				
1.	Sectt. & Economic Services	9.00	0.29	0.19	0.10	0.29	0.30	0.08	0.29	0.25	0.04	0.29	0.33	0.04	4.26	114.0				
2.	Major & Medium Irrigation projects	95.00	30.26	31.68	1.48	35.66	30.02	5.64	21.99	23.05	1.06	30.21	29.70	0.51	944.33	120.47				
3.	Minor Irrigation Schemes	293.00	50.73	15.07	35.66	48.00	70.91	22.91	65.38	34.30	31.08	59.00	40.53	18.47	82.64	54.88				
4.	Command Area Development Programmes	830.00	90.00	104.45	14.45	115.00	116.22	1.22	125.00	123.68	1.32	140.00	123.47	16.53	138.92	56.36				

	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
5. Flood Control																
Programmes	282.00	59.78	38.07	38.07	21.71	76.05	38.78	37.27	48.81	39.75	9.06	58.50	55.97	2.53	81.78	61.20
6. Total																
(I & CAD) & FC	1500.00	231.00	189.46	41.54	275.00	256.30	18.70	261.47	221.03	40.49	288.00	250.00	38.00	1251.93	61.1	
					(-)											
7. Transport Sector	166.00	9.00	9.80	0.80	14.00	10.70	3.30	14.00	11.64	2.36	14.00	14.00	0.00	15.00	27.8	
Grand Total	1666.00	240.00	199.26	40.74	289.00	267.00	22.00	275.47	232.67	42.80	302.00	264.00	38.00	1266.93	57.8	

1.9 The expenditure of the Ministry is either in the form of Direct Expenditure or releases in the form of Grants-in-aid to Autonomous bodies, Central and State Research Institutions under R&D Programmes in Water Resources Sector or releases under Centrally Sponsored Schemes to State Governments or Assistance to States for Flood Control and anti-erosion works.

1.10 The anticipated irrigation potential created at the end of 1994-95 is 87.82 million hectares comprising 32.50 million hectares under major and medium projects and 55.32 million hectares under minor irrigation schemes. For the Eighth Five Year Plan period (1992-97) the target for additional irrigation potential to be created is 15.8 m.ha. (5.1 m. ha. through major and medium projects and 10.7 m. ha through minor irrigation schemes).

1.11 The anticipated irrigation potential utilised at the end of the 1994-95 will be 78.46 million hectares against the irrigation potential created of 87.82 million hectares. For the Eighth Five Year Plan period (1992-97) the target for additional irrigation potential utilised is 13.61 million hectares (4.25 million hectares through major and medium projects and 9.36 million hectares from Minor Irrigation Schemes).

1.12 For the optimal utilisation of irrigation potential created, the Ministry has been making efforts through a Centrally Sponsored Command Area Development Programme which was launched in 1974. The thrust and importance accorded to this programme can be noticed from the fact that 55.33 per cent of the total plan allocation under VIII plan has been allocated to this programme. All the remaining potential has to be developed by the earliest time possible, say by the end of the 10th Plan.

Priorities

1.13 Following are the major priorities —

- (i) Completion of on-going projects with strict prioritisation of funds under major and medium irrigation sector. No new projects are fully met.
- (ii) Encouragement to greater user participation in major and medium irrigation projects both at the system level and at local level.
- (iii) Review of CAD Programme in each State to make it a more effective instrument for ensuring speedy transit to irrigated agriculture and optimum use of water.

- (iv) **Modernisation and improvement of older irrigation system including minor irrigation.**
- (v) **Repair and improvement of minor irrigation tanks as well as the development of new works as part of the integrated development.**
- (vi) **Speedy completion of large number of on-going surface water minor irrigation schemes.**
- (vii) **Encouragement of minor surface water lift irrigation schemes both individually and community owned.**
- (viii) **Introduction of CAD concept in large minor irrigation schemes above 500 ha. or in a group of schemes to make contiguous block of 500 ha. and above.**
- (ix) **Verification and periodical updating of the basic data on the number of wells.**
- (x) **Discouragement of over exploitation of ground water.**
- (xi) **Installation of sprinkler and drip irrigation system in water scarce and drought prone areas.**
- (xii) **Improvement in the utilisation of public tubewells and their-rehabilitation.**
- (xiii) **Emphasis on conjunctive use of surface and ground water particularly in those irrigation commands with large scale water logging.**
- (xiv) **Extension in the coverage of flood forecasting and warning systems.**
- (xv) **Preparation of flood control master plan for various basins.**
- (xvi) **Strengthening of training and research programmes.**

CHAPTER II

DEMANDS FOR GRANTS (1996-97) OF MINISTRY OF WATER RESOURCES — A CRITICAL ANALYSIS

The Central Budget enables the Ministry of Water Resources and its allied organisations to play an overall guiding and co-ordinating role in relation to schemes, projects and programmes which take place essentially in the States for the development of water resources in more scientific and holistic approach to make the optimum utilisation of it for better and efficient use in agriculture and allied sectors. Since all the irrigation schemes, programmes and projects are planned, formulated and executed by the State Governments, the major share of funds required are allocated in their State Plans itself. The role of the Central Government being essentially of a catalytic nature does not offer much in terms of finance to the irrigational scheme, programmes and projects but it provides techno-appraisal of these schemes. Relative to overall planning, policy formulation in overall national perspective, coordination etc. the budget of the Ministry of Water Resources is largely in establishment oriented budget. In these areas, not much can be offered by way of explanation of the budget provisions for salaries, office expenses etc. However, the activity control of the budget can be explained in some details in respect of the programmes, schemes and activities of the various organisations directly associated with the Ministry. Given below is the summary of Budgetary Estimates 1996-97 earmarked for the Ministry of Water Resources:—

Summary of Demand No. 85 of MOWR

Section	Voted	Charged	Total V+C	Plan	Non Plan	Total P+NP
Revenue	457.17	0.02	457.19	336.44	120.75	457.19
Capital	41.49	907.00	948.49	942.49	6.00	948.49
Total R+C	498.66	907.02	1405.68	1278.93	126.75	1405.68

This above summary shows:—

- (i) Revenue part is 32.52% of the total BE 1996-97
- (ii) Capital part is 67.48% of the total BE 1996-97
- (iii) Plan Estimates are 90.98% of the total BE 1996-97
- (iv) Non-Plan Estimates are 9.02% of the total BE 1996-97.

2.2. For better understanding and appreciation, the budget is explained in two ways : Table 'A' gives the allocation of funds among various sectors i.e. (i) Major and Medium Irrigation (ii) Minor Irrigation (iii) Command Area Development (iv) Flood Control and (v) Transport sectors; and Table'B' explain the various forms of expenditure i.e. direct expenditure incurred by the Ministry or the grants-in-aid/Plan loan/Non-plan loan to various organisations and States, Central Plan Schemes/Centrally Sponsored Schemes or Assistance to States for Flood Control/Anti-erosion work.

TABLE - A

Central Budget Sector-wise

(in Rs. Crores)

Sectors	VIII Plan approved Outlay by Planning Commission	VIII Plan Outlay allocated by the Ministry		Actual 1992-93		Actual 1993-94		Actual 1994-95		Revised Estimate 1995-96		Budget Estimate 1996-97	
		Plan	N-Plan	Plan	N-Plan	Plan	N-Plan	Plan	N-Plan	Plan	N-Plan	Plan	N-Plan
Sectt. Economic Service	-	1.00	3.44	0.19	3.80	0.37	3.80	0.25	4.35	0.47	4.55	4.26	4.66
Major & Medium Irrigation	95.00	129.00	57.69	31.68	32.71	30.02	32.71	23.05	42.74	29.56	50.34	944.33	49.9
Minor Irrigation	293.00	293.00	20.07	15.07	21.95	70.91	21.95	34.30	23.49	40.53	24.65	82.64	25.5
Command Area Development	830.00	700.00	-	104.45	-	116.22	-	123.68	-	123.47	-	138.92	-
Flood Control	282.00	377.00	15.26	38.07	15.27	38.78	15.27	39.75	16.21	55.97	17.37	81.78	17.4
Transport	166.00	166.00	9.19	9.80	10.68	10.70	10.68	11.64	9.43	14.00	11.28	15.00	10.09
Grand Total	1666.00	1666.00	105.67	199.26	84.41	267.00	84.41	232.67	96.23	264.00	108.19	1266.93	107.
N - Net				N	N	N	N	N	N	N	N	N	N

Table - B
Expenditure

Type of Expenditure	Actual 1992-93		Actual 1993-94		Actual 1994-95		Revised Estimate 1995-96		Budget Estimate 1996-97		Total P+NP 8
	Plan	N. Plan	Plan	N. Plan	Plan	N. Plan	Plan	N. Plan	Plan	N. Plan	
1	2		3		4		5		6		8
A Direct Expenditure	48.74	81.68	105.97	90.06	70.43	89.78	87.78	105.22	162.19	111.25	953.10
B Release											
(a) Grants to Autonomous Bodies	14.34	1.16	16.28	1.35	19.41	1.40	25.15	1.52	27.40	1.50	109.51
(b) Central Centrally Sponsored Schemes	105.28	-	116.70	-	126.38	-	131.62	-	1050.09	-	1530.07
(c) Assistance to States for flood Control anti-erosion works	26.20	4.00	26.00	4.73	25.00	3.00	28.25	3.00	36.25	3.00	159.43
(d) Public Sector Undertakings RPNN Ltd.	13.00	5.00	10.00	-	-	6.89	6.00	-	3.00	3.00	46.89
(e) State Irrigation Scheme SYL Canal Project		20.00	-	2.95	-	-	-	11.00	-	8.00	41.95
Total Release	158.82	30.16	168.98	9.03	170.79	11.29	191.02	15.52	1116.74	15.50	1887.85
Grant Total A+B	207.56	111.84	274.95	99.09	241.22	101.07	278.80	120.74	1278.93	126.75	2840.95
					upto	1995-96	1439.09				

Year wise allocations and expenditure of the Central Ministry of Water Resources during the VIII Plan.

(Rs. in crores)

Year	Revised outlays		Expenditure Shortfall		
	Plan	Non-plan	Plan	Non-plan	
1992-93	233.14	113.07	207.56	111.85	26.8
	Total P+NP = 346.21		Total P+NP = 319.41		
1993-94	312.69	108.11	274.94	90.08	55.78
	Total P+NP = 420.80		Total P+NP = 365.02		
1994-95	255.42	117.15	241.46	105.42	25.69
	Total P+NP = 372.57		Total P+NP = 346.88		
	<u>* Approved outlays</u>				
1995-96	278.80	120.74	-----	-----	
1996-97	1278.93	126.75	-----	-----	

* Approved outlays are only for two years *i.e.* 1995-96 and 1996-97.

2.3 Over the concern of the Committee that Irrigation and Flood Control sector is not being accorded due priority with adequate financial outlays by the States and the Centre, the Secretary Ministry of Water Resources explained this problem as under during the evidence session on 14th August, 1996 :—

"There are two components of plan-Central Sector and State Sector. For State Sector, the States are free to divert the money in any other sector and that is the main reason why irrigation sector is suffering as far as our Central Sector is concerned, we are spending money. Allocations are given. We are spending all of the allocated money from the Central Sector."

I. Major & Medium Irrigation

2.4 All the major and medium irrigation projects are planned, formulated and executed by the concerned States by providing required funds out of their State plans. The major rôle of the Central Ministry of Water Resources under the major and medium irrigation is to provide technical guidance and scrutiny of major and medium projects by its specialised organisations like Central Water Commission, Central Water and Power Research Station, Central Soil Materials Research Station and National Institute of Hydrology. The general infrastructural and research support to sectoral development at the State level is provided by the CWC.

2.5 Since the Five Year Plan era 370 major and 1094 medium irrigation projects have been taken up by the various State Governments and out of these 201 major and 817 medium projects have been completed till date leaving 169 major and 277 medium projects still ongoing. Outlays for VIII Plan under major and medium Irrigation was Rs. 22,415 crores (including States outlays and Central outlays) out of which Rs. 10,701 crores were the likely expenditure upto 1994-95 leaving 52.53% of the total plan outlays to be incurred during the remaining two years (*i.e* 1995 — 97) of the VIII Plan. VIII plan outlays and expenditure incurred during the first four years (from 1992-93 to 1995-96) by the Ministry of Water Resources are as under :—

Plan Outlays and Expenditure during first four years of Eighth Plan (from 1992-93 to 1995-96) for the Ministry of Water Resources

Sl. No.	Name of the Scheme/ Project/ Programme	Eighth Plan Approved Outlay	1992-93		1993-94		1994-95		1995-96		1996-97		Likely B.E. Percentage Expenditure during last four years (Col. 5+8+11+14) against of Col. No. 3			
			Appr- oved Outlay	Actual Expd.	Short- fall	Appr- oved Outlay	Actual Expd.	Short- fall	Appr- oved Outlay (B.E)	Actual Expd. (R.E)	Short- fall	B.E.				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Major & Medium Irrigation Projects	95.00	30.20	31.68	(-)11.48	35.66	30.02	5.64	21.99	23.05	(-)1.06	30.21	29.70	0.51	944.33	120.47

2.6 Physical Targets and Achievements during first four years of Eighth Plan (from 1992-93 to 1995-96) for the Ministry of Water Resources

Name of the Scheme/ Projects/ Progress	Unit	1992-93		1993-94		1994-95		1995-96		Achievements in 1992-93, 1993-94, 1994-95 and 1995-96 as against of Eighth Plan Targets*						
		Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
1. Major & Medium Irrigation Projects																
(a)	Irrigation Potential Created	m.ha	5.09	0.70	0.39	0.31	0.71	0.47	0.24	0.72	0.67	0.05	0.77	NA	-	45.2
(b)	Irrigation Potential utilised	m.ha	4.25	0.69	0.30	0.39	0.65	0.46	0.19	0.56	0.56	-	0.79	NA	-	49.6

2.7 From the above tables it can be observed very well that financial as well as physical targets could not be achieved at the desired level. Though the Ministry has increased the VIII Plan allocations from Rs. 95 crores allocated initially by the Planning Commission to Rs. 129 crores the achievement of targets both financial as well as physical was not commandable performance. Upto the end of 1995-96 Rs. 118.06 crores were allocated by the Ministry under this Major and Medium Irrigation but only Rs. 114.45 crores is the likely expenditure leaving an amount of Rs. 3.61 crores unspent. Similarly the physical targets under (i) the irrigation potential created and (ii) the irrigation potential utilised during 1992-96 have been only 45.2% and 49.6% respectively of the total targets fixed under 8th Plan for this sector.

2701 Major Head

01.01.31 Implementation of VRS in RPNN Ltd. and 6701 Major Head

01.00.55 Loans (non-plan) For RPNN Ltd.

2.8 Last year, i.e. 1995-96 Rs. 5.00 crores were provided under Plan as Budgetary Estimate for the implementation of VRS in RPNN Ltd. During the current year 1996-97, again a Budgetary Estimate of Rs. 2.00 crores has been made under the plan for the same purpose.

2.9 Rs. 4 crores (Rs. 3 crores non-plan + Rs. 1 crore Plan) have been provided to RPNN Ltd. during the current year 1996-97 as loan to meet the expenses of payment of unpaid salaries to the employees and procurement of equipment etc. The Company is running into losses every year since 1989-90 onwards and has accumulated huge losses. The Ministry of Finance suggested to the Ministry of Water Resources for the liquidation of a Company in phased manner. The Standing Committee in its 10th and 22nd Report have categorically advised the Ministry to vigorously pursue the revival and revamping of RPNN Ltd. in close coordination with Ministry of Finance and finally with Cabinet Committee on Economic Affairs. The Company has improved the Order-book position and executed works of Rs. 130.16 crores and incurred a net loss of Rs. 26.00 crores during the year 1994-95. The projected out-turn for 1995-96 in Rs. 103.00 crores and the net loss is estimated at Rs. 34.40 crores.

2.10 The Ministry submitted the overall position of the company in a note as under :-

"(i) Actual Strength of Staff

As on 31.7.96 the actual strength of the staff is 4228 including 685 technical, 679 non-technical and 2864 workmen.

(ii) Sanctioned Strength of Staff

The RPNN Ltd. have intimated that they have no sanctioned strength and employees are recruited on the basis of requirement.

(iii) VRS position

1348 persons have taken Voluntary Retirement till 31.7.96 including 301 executives (214 technical and 87 non-technical) and 213 non-executives (50 technical and 163 non-technical) and 834 workmen.

(iv) Required Strength of Staff

About 2500 person (technical, non-technical and workmen) are required for making the company viable. RPNN Ltd. has set up a Committee to work out the exact categorywise requirement of the staff and the report of the Committee is expected shortly.

(v) Adequacy of funds for VRS

As per the revival package framed for the Company it is envisaged that 1000 persons would avail of the benefits of VRS during the year 1996-97. An amount of Rs. 10 crores will be required for this purpose. The Ministry of Finance would be approached at the time of revised budget estimate for providing additional funds depending upon the response of the employees to the VRS.

(vi) Reasons for inadequate implementation of VRS.

The employees do not find the scheme attractive enough to avail of the benefits under the existing scheme. The scheme is voluntary as the name itself suggest and the employees cannot be forced to apply for VRS. However, the Company has recently revised the pay scale of their workmen to make the scheme more attractive to them.

(vii) Status of Revival Note for Submission of CCEA

The Ministry of Water Resources is in favour of the revival of the company. A detailed note on the status of the company RPNN Ltd. has been approached by the Hon'ble Minister of Water Resources and the same has now been sent to the Ministry of Finance for approval of the Finance Minister. Thereafter it will be sent to the Cabinet Committee on Economic Affairs for their consideration."

3601 Major Head**OI. 752 - SYL Canal Project (Minor Head)**

2.11 Under the above Minor Head Rs. 8 crores have been earmarked as non-plan Grants-in-aid to Punjab State Government for SYL Canal Project during the

current year 1996-97. During the last year 1995-96 also Rs. 11.00 crores were provided as grants -in-aid (Non-plan) for the same purpose. Since July, 1991 nothing has been done on the project-site. The original estimate of the project, i.e. Rs. 272 crores in 1985 has increased manifold to the tune of Rs. 601.25 crores as on date. The Standing Committee on Agriculture, time and again have stressed the need to complete the project at the earliest. The Committee in its 27th Action Taken Report also recommended that budgetary provisions earmarked for SYL Project during the year 1995-96 should not be released unless work on the project is resumed.

2.12 In response to the Committee's concern over the prolonged delay in resuming of the works on the project-side and the compliance of the earlier recommendations of the Committee made in 27th Action Taken Report, the Ministry stated in a note as under:-

"The Ministry of Water Resources did not release any fund out of the budgetary provisions earmarked for Sutlej Yamuna link Canal Project during the year 1995-96 to Government of Punjab since the work on the project was not resumed by the State.

Budgetary provision of Rs. 8.00 crores is made for this project under the current financial year because the Ministry of Water Resources is making its best efforts to get the work on the project resumed."

7601 Loans and Advances to State Governments

03.00.55 Accelerated Irrigation Benefit Scheme

2.13 The Central Government as per its commitment made in their Common Minimum Programme sanctioned the above scheme i.e. Accelerated Irrigation Benefit Scheme during the current year i.e. 1996-97. To implement this scheme Rs. 900 crores have been earmarked as loans to the States, which are to be sanctioned on matching basis. This scheme is designed for only those large irrigation projects where substantial works have been completed and 75% expenditure has already been incurred and where States are finding it very difficult to make further financial provisions for these projects.

2.14 In response to the Committee's concern over various matters like survey, spill-over cost, funding pattern, guidelines, quantum of additional irrigation potential to be and the strategy to be adopted by the Ministry while implementing the above scheme, the Ministry submitted in a note as under:-

"(i) Number of Projects

There are 15 projects costing more than Rs. 1000 crores where it is beyond the

resources of the State Governments concerned to complete the work and there are 17 major projects costing less than Rs. 1000 crores where more than 75% expenditure has been incurred.

(ii) Spill-over cost of such projects

Spill over cost of such projects as on 1st April, 1996 is Rs. 20,106.09 crores (a) projects costing more than Rs. 1000 crores – Rs. 19626.13 crores; and (b) major projects costing less than Rs. 1000 crores where more than 75% expenditure has been incurred Rs. 479.96 crores.

(iii) Criteria for funding such projects

The criteria for funding such projects is under finalisation. Broadly, the projects given investment clearance by the Planning Commission will only be considered for inclusion under the programme. It is proposed to provide assistance for projects costing more than Rs. 1000 crores, major and medium projects where more than 75% expenditure has been incurred and on receipt of the request from the concerned State Governments for providing assistance subject to the overall provision of funds made in the budget estimate of this Ministry. A Committee under the Chairmanship of Secretary (WR) and having as members, Members (WP&P), Central Water Commission; Advisor (I&CAD), Planning Commission; Commissioner (Projects) and Financial Adviser, Ministry of Water Resources would consider the proposals made by the State Governments and decide their inclusion in the scheme. Inter-State Projects costing more than Rs. 100 crores are also proposed to be covered under the scheme.

(iv) Funding Pattern

It is proposed to release the first quarterly instalment of the assistance in advance and subsequent instalments after the expenditure has been incurred. This is being planned so that the funds allocated for the projects are not diverted elsewhere by the State and the projects for which these funds are meant get completed in time-bound manner. Since the States are required to incur equal amount of expenditure from their plan resources, the proposed modus of releasing of fund would also ensure that the States also spend their share of money from their plan resources.

(v) Quantum of irrigation potential

Projects are yet to be finalised in consultation with the State Governments. It is difficult at this state to quantify the additional irrigation potential likely to be created.

(vi) Time-frame

There is not time frame prescribed as yet for projects costing more than Rs. 1000 crores. In this case the other projects selected for funding under this programme the time period would be four working seasons.

(vii) Monitoring mechanism

Monitoring Team headed by the Regional Chief Engineer of Central Water Commission along with the officials of the State Governments would visit the project quarterly and review the progress *vis-a-vis* target fixed under the Scheme and furnish their report to the Ministry of Water Resources for consideration by the Committee headed by the Secretary, Ministry of Water Resources. Copies of the reports of the monitoring team would also be forwarded to the Planning Commission and the Department of Programme Implementation. The continuance of a project under the programme would depend upon satisfactory achievement of the targets.

After the release of first instalment, the subsequent instalments would be based on the recommendations of the Monitoring Team headed by the Regional Chief Engineer of the Central Water Commission and comprising the officials of the State Government."

II Minor Irrigation

2.15 Minor Irrigation basically consists of (1) surface water and (2) ground water. The Ultimate potential of surface water as assessed by the Ministry is 15 million hectares. The ultimate potential of ground water has been measured 40 million hectares. Thus the total ultimate potential of minor irrigation comes to 55 million hectares. Against this total ultimate potential, upto the end of 1994-95 the created potential has been assessed as 55.32m. ha. and out of this created potential 50.74 m.ha. have been utilised leaving a gap of 4.58 m.ha. unutilised.

2.16. Ground water development is primarily done through individual and co-operative efforts of the farmers with the help of institutional finance and their own savings. Surface Water schemes are generally funded from Public Sector outlays. Against the VIII Plan (Central as well as State) outlays of Rs. 5,977.26 crores, the likely expenditure of the first three consecutive years i.e. 1992-93, 1993-94 and 1994-95 is estimated Rs. 3,377 crores, which is 56.50% of the total VIII Plan outlays.

2.17 VIII Plan Outlays and Expenditure during first four years of Eighth Plan (from 1992-93 to 1995-96) for the Ministry of Water Resources

Sl. No.	Name of the Scheme/ Project/ Programme	1992-93		1993-94		1994-95		1995-96		1996-97	Likely Percentage Expenditure during last four years (Col. 5+8+11+14) against of Col. No. 3					
		Appr- over Outlay	Actual Expd.	Short- fall	Appr- over Outlay	Actual Expd.	Short- fall	Appr- over Outlay (B.E)	Actual Expd. (R.E)	Short- fall		B.E.				
1	Minor Irrigation Schemes	293.00	50.73	15.07	35.66	48.00	70.91	22.91	65.38	34.30	31.08	59.00	40.53	16.47	82.64	54.88
								(-)								

VIII Physical Targets and Achievements during first four years of Eighth Plan (from 1992-93 to 1995-96) for the Ministry of Water Resources

Sl. No.	Name of the Scheme/Project/Programme	Unit	Eighth Plan Approval target	1992-93		1993-94		1994-95		1995-96		Achievements in 1992-93, 1993-94, 1994-95 and 1995-96 as %age of Eighth Plan Targets*				
				Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Minor Irrigation Schemes																
(a)	Irrigation potential created	m.ha	10.71	2.01	1.53	0.48	1.98	1.40	0.58	2.05	1.51	0.54	1.59	NA	-	56.3
(b)	Irrigation potential utilised	m.ha	9.36	1.82	1.36	0.46	1.74	1.19	0.55	1.63	1.13	0.50	1.29	NA	-	53.1

2702 Major Head

03 Artificial Recharge of Ground Water.

2.18. About the rapidly depleting level of ground water, the Committee expressed its serious concern. The Committee found that last year i.e. 1995-96 nothing was provided for implementing the above scheme i.e. Artificial Recharge of Ground water. A lumpsum provision in 1995-96 budget of Central Ground Water Board for artificial recharge of ground water was made. At Revised Estimates stage sub-head for execution of work i.e. construction of Recharge structures were opened and Rs. 86 lakhs was provisioned for Recharge Works. During the current year i.e. 1996-97 also Rs. 99 lakhs have been earmarked to implement the same scheme in various States and Union Territories.

2.19 On being asked by the Committee whether the Ministry has ever made a research study of the rapid depletion of ground water in water scarce States and what follow-up action has been taken up by the Ministry; the Ministry furnished a note to the Committee stating as under:

"The Central Ground Water Board regularly monitors the situation of ground water levels four times in a year during January, May, August, November in the country. Also, as per National Water Policy, the Board periodically reassesses the availability of ground water resources in the country.

Long term observation of ground water levels has revealed decline of more than 4 metres in certain pockets in various districts in the State of Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal. There are 101 of districts in various States where decline of more than 4 metres has been observed in localised pockets.

The recent ground water resource assessment carried out by the board in association with the States has brought out that ground water is being over-exploited in excess of the annual recharge rate leading to depletion of the resource in some of the areas in various States. About 231 blocks out of 4272 blocks in the country except the State of Andhra Pradesh, Gujarat and Maharashtra, where the resource assessment has been done on the basis of mandals, taluks and watersheds have been identified as 'over - exploited' where level of ground water development is over 100% in excess of annual replenishable recharge. Besides 6 mandals in Andhra Pradesh and 12 talukas in Gujarat are over-exploited. The assessment has also brought out the 'Dark' (Critical) category blocks where the level of ground water development is between 85 and 100%.

In order to arrest the decline in ground water levels leading to depletion of the resource, the Central Ground Water Board under the Ministry of Water Resources have taken up the following measures aimed at enhancing the availability of ground water and also regulating the development of the resources.

Feasibility Studies on artificial recharge of ground water

Feasibility studies for recharging ground water were carried out by the CGWB in Mehsana and coastal Saurashtra area of Gujarat. These studies have established the possibilities of recharging ground water through spreading channels, vertical shafts, injection wells and check dams.

The infiltration studies in Kandi belt of Ghaggar river in Haryana, Punjab and Chandigarh have revealed that most parts adjacent to the river and stream bed in the area are suitable for recharge through ponds and spreading basins. Experiments in Kurukshetra area of Haryana showed that the area is suitable for recharge through injection wells, where recharge to aquifer can be effected at the rate of 58 litres per second.

Central Sector Scheme on Ground Water Recharge

The Central Ground Water Board is presently implementing a Central sector scheme on ground water recharge. Under the scheme pilot recharge studies have been taken up in the State of Maharashtra, Karnataka, NCT of Delhi and UT of Chandigarh. Under this model scheme, measures like construction of percolation tanks, recharge shafts, cement plugs and injection wells and conversion of existing village tanks into percolation tanks in Amravati and Jalgaon districts of Maharashtra, construction of percolation tanks, recharge well fields, roof to rain water harvesting structures and water shed treatment in Kolar district of Karnataka, roof top rain water harvesting structure in Chandigarh are being experimented. These studies would help in developing scientific techniques for undertaking recharge projects and replicating the technology in areas with similar hydrogeological conditions. Further, the operation of these facilities would result in conservation of water and augmentation of recharge.

Centrally Sponsored Scheme for assisting the States for artificial recharge

In order to encourage the States for implementing artificial recharge in problem areas, the Board have proposed a Centrally sponsored scheme for assisting the States for artificial recharge. Under this scheme, Central assistance on matching basis is proposed to be provided to the States for taking up pilot investigational and operational recharge projects in over-exploited blocks in the country. The

scheme envisages taking up for investigations for locating 500 sites each for spreading basins and percolation tanks and 1000 sites for subsurface dykes and related structures and construction of spreading structures at 600 sites, percolation tanks at 200 sites and subsurface dykes and related structures at 1040 sites. Besides these, the Central Ground Water Board would also conduct 20 pilot studies with a view to developing technology providing guidelines to the States. The total cost of the scheme has been estimated as Rs. 81 crores with Central share of Rs. 42 crores. The scheme is yet to be approved.

III Command Area Development

2.20 Based on the recommendation of Irrigation Commission's report in 1972 for the systematic development of Commands of irrigation projects, the Central Government approved a centrally sponsored command Area Development Programme in December, 1974 with the twin objective of (1) improving and optimising the utilisation of the created irrigation potential and (2) increasing agricultural production and productivity. At present, there are 193 irrigation projects under the Programme at the end of the year 1995-96 spread over 22 States and 2 Union Territories having culturable command Area of 21.44 million hectares.

2.21 The main components of the CAD programme is as follows:—

- (i) Development of field channels and field drains within the command of each outlet.
- (ii) Land levelling on an outlet basis.
- (iii) Enforcement of a proper system of 'Warabandi'.
- (iv) Supply of inputs and services, including credit
- (v) Development of ground water to supplement Irrigation.
- (vi) Development and maintenance of the main and intermediate drainage system; and
- (vii) Irrigation system upto the outlet of one capacity.

Financing Pattern

2.22 The financing of CAD Programme is done through the following sources:—

- (i) Central assistance to the States on matching basis for certain selected activities of the programmes.
- (ii) States' own resources; and
- (iii) Institutional Finance

As per the existing financing pattern, grants are given on matching basis for the establishment cost of CAD Authorities including management subsidy for farmers' organisations. In addition assistance on matching basis is also provided for activities such as planning, implementation and supervision of on-farm development (OFD) activities, introduction of warabandi including setting up of wireless

communication network, adaptive trials, demonstration, training, evaluation studies and crop compensation etc. Subsidy is also given on matching basis on the Integrated Rural Development Programme (IRDP) pattern to small, marginal and scheduled tribe farmers on the loans for land levelling and shaping, construction of field channels and field drains, sprinkler and drip irrigation and development of ground water. While the cost of construction of field channels from outlets up to 5-8 ha. block is shared equally between the State and Central Government as grant, that within 5-8 ha, block is shared 50% grant between the Government of India and State Governments and balance 50% as loan between the two Governments. Loans are also available on matching basis for the purchase of equipment and machinery for carrying out OFD works and development of ground water, equity support to Land Development Corporations and Farmers' Service Societies etc. For financing the ineligible farmers in carrying out on farm development work a Special Loan Account (SLA) is operated by the National Bank for Agriculture and Rural Development (NABARD) with contribution by the Central Government, State Government and NABARD is the ratio of 37.5: 37.5: 25% respectively.

2.23 Excluding the institutional Finance, the allocations and expenditure made by the States, U.Ts and Central Govt. during VIII Plan are given below

Item	1992-93		1993-94		1994-95		1995-96		1996-97	
	VIII Plan Outlay	Approved outlays	Actual Expdr.	Approved outlays	Actual Expdr.	Approved outlays	Act. Expdr.	App. outlay	Rev. out.	App. Outlays
CAD										
States	1679.33	268.29	228.89	341.75	282.85	350.64	N.A.	N.A.	-	N.A.
U.Ts.	0.80	0.10	-	-	-	0.05	N.A.	N.A.	-	N.A.
Central Sector	830.00	90.00	104.45	115.00	116.22	125.00	123.68	140.00	123.47	138.92
Total	2510.13	358.39	333.34	456.75	397.30	475.69				

From above table:-

- (i) **The total Central likely expenditure under the VIII for CAD Programme (including approved outlays of 1996-97) will work out to Rs. 606.74 crores.**
- (ii) **The total State expenditure upto the end of 1994-95 (including approved outlay of 1994-95) for CAD aggregates to Rs. 862.38crores which will be roughly 50% of the total allocations of VIII Plan).**
- (iii) **Almost nothing has been invested by Union Territories in CAD.**

2.24 The Physical Targets achieved during the first four years of VIII Plan, i.e. 1992-93 to 1995-96.

CAD	VIII Plan				1992-93		1993-94		1994-95			
	Unit	Originally fixed	Revised by EFC	Targets	Activt.	Short-fall	Targets	Activt.	Shortfall	Targets	Activt.	Shortfall
Field Channel	'000 ha	2500.00	1330.00	876.34	365.11	511.23	532.51	346.69	185.82	505.61	304.11	201.50
Warabandi	'000 ha	4000.00	2600.00	952.17	636.33	315.29	1032.14	512.44	525.70	1027.37	506.14	521.23
Land Levelling	'000 ha	400.00	400.00	117.14	32.97	84.17	60.78	35.49	25.29	83.56	2.30	25.26
Field Drains	'000 ha	500.00	300.00	382.32	67.95	314.37	179.92	35.52	144.40	109.04	24.64	84.40

Note: The % age achievements are of 4 years against the target for 5 years

Target	1995-96		Total achievements (4 years)	% age achvt. as per original target	% age achvt. as per revised target
	Achvt.	Shortfall			
385.00	233.00	52.00	1355.00	54%	101.5%
580.00	421.00	159.00	2080.00	52%	80%
37.00	27.00	10.00	90.00	22.5%	22.5%
50.00	14.00	36.00	160.00	32%	53.3%

2705 Major Head

03—Evaluation Studies of CAD Project

2.25 Command Area Development Programme was given a high priority by the Ministry of Water Resources. An outlay of Rs. 2100 crore was proposed for the programme during the VIII Plan period, out of Rs. 5900 crore for the Ministry as a whole. In view of the paucity of funds, Planning Commission provided only Rs. 830 crore for the CAD Programme and the total allocation for the Ministry was Rs. 1500 crore. To manage the other schemes of the MOWR, the Ministry was allowed to make internal adjustments within the allotted outlays under different schemes of the Ministry. In the process, the outlay for CAD Programme was reduced to Rs. 700 crore but the physical targets remained the same considering Planning Commission's outlay of Rs. 830 crore. Further, during the Annual Plans, outlay for the programme was reduced considerably as can be seen from the table given below:

(Rs. in crore)						
Year	Amount which was expected to be allocated		Amount actually allocated	% allocation of annual prorata. requirement	Actual Expenditure	% of Actual allocated
	700.00	(830.00)				
1992-93	140.00	(166.00)	90.00	64% (54%)	104.45	116%
1993-94	140.00	(166.00)	115.00	82% (69%)	116.22	101%
1994-95	140.00	(166.00)	125.00	89% (75%)	123.69	99%
1995-96	140.00	(166.00)	126.00	90% (76%)	123.47	98%
1996-97	140.00	(166.00)	138.92	99% (84%)	138.92	100% (likely)
	700.00	830.00	594.92	85% (72%)	606.75	102%

(Figures within brackets - considering the Planning Commission's outlay of Rs. 830.00 crores)

2.26 From the above table it is observed that as against the original outlay provided by Planning Commission of Rs. 830 crore, an amount of Rs. 594.92 crore was actually provided which works out to 72%, but the physical targets were

not reduced as per the allocation. If a comparison is made with the original outlay & outlay provided and the physical achievements as against the original targets, the achievements are as per the allocations made:

(1) Total allocation for VIII Plan		830 crore
(Original)		
(2) Pro-rata allocation of 4 years 1992-93 to 1995-96		664 crore
(3) Actual allocation (4 years)		456 crore
% age of (3) to (2)		69%
Physical Targets for 4 years	Field Channel 2299.46	Warabandi 3597.68
Achievements for 4 years	1348.91 (59%)	2076.46 (58%)

2.27 The above table reveals that physical achievements under core components of CAD Programme, *i.e.* Field Channels & Warabandi are around 60% each as against the allocation of 69%. This appears to be quite satisfactory. Incidentally it is pointed out that the financial outlay and physical targets are normally fixed by the Planning Commission on the basis of prevailing cost of execution at that time but it has been observed that in subsequent years there is considerable escalation in the cost of material, labour etc. and the total cost of execution increases. Since the funds allocated for the programme have been utilised in full this contention is substantiated.

2.28. So far as reduction of physical targets by the EFC is concerned, it may be pointed out that since the funds during the past 4 years provided was only Rs. 456 crore. It was on the basis of the trend of past allocations the EFC fixed the final allocation at 665 crore but of which Rs. 15 crore was for evaluation and R&D. Hence, the allocation was reduced to Rs. 665 crore against Rs. 830 crore. In view of the low allocation of funds for the programme the physical targets were reduced realistically by the EFC. The achievements against the revised targets are 101.5% for field channels and 80% for Warabandi, even in four years time as against the targets for five years. This indicates that had the allocated funds by Planning Commission were provided. The physical targets would have been achieved fully.

2.29. In response to the Committee's concern, the Ministry stated as under:-

"Sixteen evaluation studies of the following projects included under Command Area Development Programme were taken up :-

1.	Hasdeo	Madya Pradesh
2.	Barna	Madhya Pradesh
3.	Chambal	Rajasthan
4.	JLN Project	Haryana
5.	Sarda Canal	Uttar Pradesh
6.	Kosi	Bihar
7.	Kukadi	Maharashtra
8.	Surya	Maharashtra
9.	Mayurakashi	West Bengal
10.	Malaprabha	Karnataka
11.	Nagarjunsagar	Andhra Pradesh
12.	Giri	Himachal Pradesh
13.	Periyar-Vaigal	Tamil Nadu
14.	Jamuna	Assam
15.	Dharoi	Gujarat
16.	Bhhadar	Gujarat

Out of the above studies, thirteen have already been completed. Their final reports have been submitted. The studies of Barna and Kosi Projects have also been completed and their final reports have to be submitted by the consultants. The draft final report of Giri Project has been considered and the consultants have been asked to modify the report in the light of the suggestions made by the Ministry of Water Resources.

The same study has found that there has been considerable improvement in production and productivity in the areas under CAD Programme as compared to non-CAD areas.

There have been certain problems also. It has been appointed that in many projects, availability of water at the outlet is less than the designed discharge because of deterioration on account of silting weed infestation etc. of the conveyance system as well as reservoir.

Secondly, it has been noticed that in many places, the field channels are not being maintained by farmers as a result of which the advantages of the programme are also not being fully realised.

The major problem in achieving the expected progress of implementation of drainage works has been that main and collector drains have not been constructed in many projects or where constructed have not been maintained. As a result in many projects, it has not been possible to construct field drains because these could not be connected to collector and main drains.

Third, at the time of launching of the CAD Programme, it was envisaged that it would be implemented through multi-disciplinary team under the Command Area Development Authority which was expected to have engineering, agricultural cooperative and other disciplines which are concerned with CAD Programme. Initially, the multi – disciplinary authorities were constituted in several States. However, over the years various disciplines have reported to their line departments, as a result the integration of activities related to irrigated agriculture could not be achieved to the desired extent.

The CAD Programme has been reviewed by the Government. The changes in the scope and financing pattern of the programme were discussed in the Expenditure Finance Committee which approved the following changes in order to increase the effectiveness of the Programme:-

- (a) The entire amount for construction of field channels and field channels and field drains should be given as grant. Under the existing financing pattern, 50 per cent of the amount is given as grant and the rest of the amount as loan.
- (b) A new component of reclamation of waterlogged areas was added in the scope of the programme.
- (c) The one time grant for farmers' associations has been increased from Rs. 275 per ha. to Rs. 500 per ha. Under the existing pattern, the grant of Rs. 275 per ha. is given in three instalments whereas under the system approved by the Expenditure Finance Committee it would be given in one instalment.
- (d) Greater emphasis has been given to adaptive trials, demonstrations, training and dissemination of technical knowhow among the farmers.

The budgetary estimates (plan) to implement the work of evaluation studies of CAD Projects during the current year 1996-97 is Rs. 90 lakhs.

The above sixteen studies were sanctioned an amount of Rs. 122.77 lakhs. The expenditure upto date is Rs. 118.677 lakh."

IV Flood Control

2.30. Out of the country's total geographical area of 328 million hectares, 40 million hectares has been assessed by Rastriya Barh Ayog as flood prone out of which 32 million hectares has been estimated as protectable. The flood management programmes have been in existence since March, 1954. Upto March, 1993 an area of about 14.37 million hectares has been given reasonable protection by means of embankment. (16199 Kms), drainage channels (32008 Km.), town protection work (906 nos.) and by raising villages (4705 nos) with an expenditure of Rs. 3,494.6 crores upto March, 1993.

2.31 Prior to VIII Plan the main emphasis was on the two objectives namely (i) moderation of floods improvements, building reservoirs, detention basins and afforestation etc., and (ii) moderation of susceptibility to flood damage through regulation of economic activity in the flood plains, flood forecasting and disaster preparedness, town and village protection works and raising of villages etc. In order to meet these objectives, structural as well as non-structural measures were adopted. The worst affected areas by flood every year are Uttar Pradesh, Bihar, West Bengal and Assam.

2.32. The Ministry of Water Resources is of the firm view that a complete protection from all floods by structural methods is not economically feasible because these measures are costly, take a long time and have their own limitation. Funds required for their upkeep are also not adequately spared by the States and as a result of which after some time these structural measures become ineffective. Now, the Ministry is laying more emphasis on non-structural measures like (i) flood proofing (ii) flood plain zoning and (iii) flood forecasting. Keeping the importance of these non-structural measures Central Ministry enhanced its outlays in the 8th plan for implementing the same. The Planning Commission allocated Rs. 282 crores originally for carrying out the flood control activities during the VIII Plan, out of which Rs. 40 crores was allowed to go to Flood Proofing. Later on, the Ministry re-allocated Rs. 377 crores on its own to this sector and contrary to this increase, the allocation under Flood Proofing were reduced to Rs. 19 crores from the earlier of Rs. 40 crores. The allocations made and utilised (expenditure incurred) during the first four years of VIII Plan by the Central Ministry are as under:-

(Rs. in Crores)

Sl. No.	Name of the Scheme/ Project/ Programme	Eighth Plan Approved Outlay	1992-93		1993-94		1994-95		1995-96		1996-97 B.E.	Likely Percentage Expenditure during last four years (Col. 5+8+11+14) against of Col. No. 3				
			Appr- overed Outlay	Actual Expd.	Short- fall	Appr- overed Outlay	Actual Expd.	Short- fall	Appr- overed Outlay (B.E)	Actual Expd. (R.E)			Short- fall			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1.	Flood Control Programmes	282.00	59.78	38.07	21.71	76.05	38.78	37.27	48.81	39.75	9.06	58.50	59.97	2.53	81.78	61.20

From the table the following conclusions may be drawn:-

- (1) Percentage of expenditure during the first four years of VIII Plan *i.e.* 1992-96 w.e.f. the VIII Plan allocations made by the Ministry is 45.77.
- (2) Percentage of expenditure during the five years of VIII Plan (including B.E. of 1996-97) w. e. f. too VIII Plan allocations made by the Ministry is 67.46.
- (3) The total budgetary allocation during the Eighth Plan is Rs. 324.92 crores which is Rs. 52.08 crores less than the allocation originally projected by the Ministry of Water Resources.
- (4) Of the amount of Rs. 243.14 crores allocated through budgets in the first four years, the total expenditure has been Rs. 172.58 crores leaving a huge shortfall of Rs. 70.56 crores. The shortfall is 29.02% of the original allocation.

2.33 Regarding the total requirement of funds for flood control under IX Plan, Chairman, Central Water Commission stated as under :-

"We have protected about 14 million hectatres of land from flood, the rest 18 m. ha. has to be protected and for that we are planning the same for the IX Plan, which has not been approved till date. We have estimated that to do this job more than Rs. 6,000 crores would be needed."

3601 Major Head

- 03.786 Flood Control other Grants**
01 Critical Anti-erosion
02 Flood Proofing Programmes and

7601 Major Head

- 01, 786 Flood Control (Minor Head)**
01 Special Loan assistance
for emergent flood protection
works in the Eastern and Western Sectors

2.34. During the current year *i.e.* 1996-97 Rs. 4.25 crores (plan) have been provided for carrying out critical anti--erosion works in the country. India, having a sizeable flood prone area *i.e.* 1/8th of the total geographical area of 328 million hectares, suffer a grave losses of soil erosion every year due to heavy floods particularly in the Ganga and Bramhaputra Basin. The Committee having take

into account the magnitude of the erosion problem, expressed its serious reservation over the anti-erosion works being carried out by the flood affected states.

2.35. In response to the Committee's concern for anti-erosion works, the Ministry in a written note stated as under:-

"The funds required for anti-erosion works in critical areas varies from year to year. The States prepare specific schemes for specific problem areas and take up the required works within their own funds since flood control is a State subject. During the 8th Five Year Plan an allocation of Rs. 30 crores was provided under Central Sector to assist the States for anti-erosion works in critical areas only. The critical areas are mainly along the Ganga river in Bihar and West Bengal and along Brahmaputra. The Government of Bihar and West Bengal have been requesting the Government of India to support this activity with more funds. However, the budget allocation of Rs. 30 crores made during the 8th Plan could not be utilised except for Rs. 2.2 crores released to the States of West Bengal and Bihar in the years 1992-93, and 1993-94 respectively, since the Planning Commission has expressed its reservations in extending this assistance. The Planning Commission has also opined that anti sea erosion works are also to be considered and the two schemes should be clubbed and taken up during the 9th Plan only. Efforts are being made to get the scheme approved by the Planning Commission so that the funds of Rs. 4.25 crores earmarked for 1996-97 could be utilised for specific schemes. This issue will also be considered for Central assistance during the 9th Plan.

The Government of West Bengal has requested for assistance of Rs. 130 crores for anti-erosion works in the Ganga upstream and downstream of Farakka. The States of Uttar Pradesh and Bihar have only identified a few specific schemes but have not worked out the overall requirement for controlling the erosion problem."

2.36 Regarding flood proofing, the Ministry submitted as under "The 8th Plan outlay for flood proofing is Rs. 40 crores for scheme in North Bihar only. The State Government was provided with funds of Rs. 20 lakhs during 1991-92 which they did not utilise till the matter was taken up by the Centre with them. Only during 1995-96, the State Government proposed several schemes for flood proofing. An EFC memo for Rs. 19 crores was approved in 1995-96 and on the basis of this approval an amount of Rs. 1.5 crores was released to Government of Bihar as an advance for specific schemes on reimbursement basis. The State Government has not so far furnished a utilisation Certificate for the funds released to them since

the work envisaged have not been completed. For the year 1996-97, an allocation of Rs. 7.00 crores for flood proofing in North Bihar only has been provided, however, the utilisation of this fund would depend upon the State Government's providing a Utilisation Certificate for the advance funds released during 1995-96."

2.37 Regarding the overall requirement of financial provisions under the Flood Control and Management sector, the Ministry stated that unless the States make adequate budgetary provisions under the Annual State Plan for Flood Control and management, the real objectives of all flood control and management schemes cannot be realised. The Ministry expressed its concern as under:-

"The allocation made under Flood Control Sector during the 8th Plan period both under the State and Central Sector are inadequate. The 8th Plan projection was for Rs. 5000 crores while the actual allocation made by the Planning was only Rs. 1623 crores with Central share of Rs. 282 crores. In view of this the State have not been able to make requisite allocations for erosion and strengthening of embankments, constructions of new embankments and improvement to drainage channels. It is, therefore, essential that the funds for flood control are allotted as per the recommendation of the Working Group for the Five Year Plans in future. There are no alternative measures to minimise the heavy loss of lives and properties proposed to be undertaken by the States."

2.38. Relating to the problem of large-scale erosion by floods in the rivers flowing along the borders of India and Pakistan in the Western Sector and in the rivers flowing along the borders of India and Bangladesh, the Committee observed that the magnitude of the erosion problem caused due to floods in these rivers is quite appalling and needs to be corrected in the national interest. The Central Ministry has earmarked a very meagre amount of Rs. 3 crores annually (This is Rs. 1.50 crores for the Eastern Sector and Rs. 1.50 crores for the Western Sector as a special loan assistance for emergent flood protection works to those states which are directly affected. The affected States have to manage the additional financial resources from their other priority areas to carry out the flood protection works. States, sometimes find it very difficult to spare resources for such flood protection works as they already face resource crunch and as a result thereof either a sizeable area is encroached upon or is eroded beyond repairs.

2.39. In response to the Committee's serious concern, the Commissioner (Indus) incharge in the Ministry replied as under during evidence:-

"Mr. Chairman, Sir, there is an agreement between Pakistan and India called Indus Waters Treaty 1960. Under this Treaty there is a provision

that we can go and inspect the works they have done on Rivers Ravi and Sutlej and they can also come here and see our works. But the problem is that if they inspect our works, they will try to find so many faults with our works. All these efforts will not solve any problem. The only way out is that the response to the works Pakistan has executed should be given by strengthening our structural measures with comprehensive planning. We provide a sum of Rs. 1.5 crore for counter protective works on behalf of the Central Government and the rest of the amount is provided by State. States have their own priorities and they allocate their funds accordingly. I would like to say that there is lack of coordination so long as counter protective works along the Western border are concerned. The whole work should be done with the assistance of the Central Government. Comprehensive planning, design and execution should be done for this so that it may serve its purpose properly. The Ministry of Home Affairs have constituted a Committee which include offices of Central Water Commission, Central Water & Power Research Station, Central Public Works Department, Border Security Force, Ministry of Defence and Government of Punjab. The Committee has visited the works in March 1996 and given its recommendations.”

2.40. Supplementing the Commissioners view, the Chairman, CWC stated:-

“We provide Rs. 1.5 crores to Punjab State every year. Our Committee’s person go there every year. We accept that Rs. 1.5 crores is very less. It should be increased.”

V Transport Sector

2.41. The Farakka Barrage Project was started in 1962 with an estimated cost of Rs. 68.59 crores. The Government approved the second estimate of Rs. 267.45 crores in 1987. The major components of the projects have already been completed. However, funds are required for residual works which have been continuing and are necessary for the safety and smooth operation of the Barrage. These expenditures are covered within 10% excess over the second revised cost estimate i.e. Rs. 294.19 crores approved by the Ministry.

2.42 Owing to emergent needs new schemes/works contained in the following Expenditure Finance Committee Memos, are presently under execution and are required to be completed as per schedule:—

1. Additional Special Protection Works of Farakka Barrage Project at an estimated cost of Rs. 48.36 crores out of which Rs. 10.57 crores will be spent during Eighth Plan and the remaining will spillover to the Ninth Plan.
2. Additional Special Protection Works of Feeder Canal and Jangipur Barrage at an estimated cost of Rs. 26 crores out of which Rs. 5.07 crores will be spent during the Eighth Plan and the balance will spillover to the Ninth Plan.

2.43. The financial allocation and expenditure incurred during the years of VIII Plan under the Transport Sector is given below:—

(Rs. in Crores)

Sl. No.	Name of the Scheme/ Project/ Programme	Eighth Plan Approved Outlay	1992-93		1993-94		1994-95		1995-96		1996-97	Likely Percentage Expenditure during last four years (Col. 5+8+11+14) against of Col. No. 3				
			Approved Outlay	Actual Expd.	Shortfall	Approved Outlay	Actual Expd.	Shortfall	Approved Outlay (B.E.)	Actual Expd. (R.E.)	B.E.					
1																
2		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1.	Transport Sector	166.00	9.00	9.80	0.80	14.00	10.70	3.30	14.00	11.64	2.36	14.00	14.00	0.00	15.00	27.8

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS

I. The Committee after having analysed the trends of plan allocations to Irrigation Sector since the planning era's inception, observe that plan-wise allocations from First Plan onwards show a downward trend in respect of the water resources sector. In the first plan, allocation to this sector was 18.7 per cent of the total plan size and this proportion has now touched the lowest point i.e. 7.5 per cent of the total VIII Plan allocations; which is not a healthy sign for a developing country like India whose economy is largely dependent upon agriculture and its allied sectors. The Committee, further observe that it is imperative for our country where 70% of the population engaged in agriculture to earmark much higher plan allocations to this sector in comparison to other sectors. Thus to create better self-employment opportunities to produce more with higher productivity and to achieve better living-standard for the rural folks, the Committee urge upon the government to review the present trend of allocations amongst the different sectors afresh and the same be reflected in the forthcoming IX Plan. The Committee recommend that the Government would do justice to the Irrigation and Flood Control Sector by providing in future higher Plan allocations to the extent recommended by the Working Group on Water Resources.

II. The Committee express its serious apprehension about the implications of the bleak picture presented by the achievement of physical targets fixed under the VIII Plan for the Major and Medium Sector. During the VIII Plan, this sector was not accorded the Central Ministry the higher priority by and accordingly Rs. 95 crores were allocated from the Central Sector. States were asked to allocate adequate financial provisions to complete the already ongoing Major and Medium Projects where substantial expenditure has been incurred. They (States) were also advised not to start any new Major or Minor Project unless the ongoing projects are completed. Contrary to the original scheme of things the Central Ministry enhanced the Plan outlays from Rs. 95 crores to the order of Rs. 129 crores.

The Committee are dismayed over the fact that while the Ministry increased its allocations from Rs. 95 crores to Rs. 129 crores under this sector, the physical targets in terms of irrigation potential to be created and utilised have been found to be only 45.2% and 49.6% of the target during the initial four years (1992-96) of the Plan respectively.

The Committee want that this shortfall in achieving physical targets of

both potential created and utilised should be made good and the States should be advised to allocate adequately higher funds to the ongoing Major and Medium Projects where substantial expenditure has already been incurred and simultaneously they should improve the achievements of physical targets fixed under the projects. The Committee opine that this can be achieved through better coordination among the line Organisations/Departments/Ministries like Planning Commission, Ministry of Agriculture, Water Resources, Finance, Central Water Commission, Planning and Programme Implementation, State Government, Departments of Irrigation and Agriculture etc.

The Committee also observe that the old manuals prevailing in respect of surface water irrigation have become obsolete and require updating and revision by the Ministry of Water Resources. The Committee, therefore, recommend that this work should be taken up immediately as it has a bearing on the distribution of water among the farmers.

III. The Committee appreciate the commendable gesture on the part of the Central Government for making a huge provisions of Rs.900 crores of financial assistance to supplement their allocations for Major Projects where nearly 75 per cent expenditure of the total cost has been incurred already and still it is beyond the capacity of the States to provide adequate required allocations to complete these projects. The Central Government has made this provision of Rs. 900 crores as loan to States on matching basis to finance these major projects whose cost is more than Rs. 1000 crores and where more than 75 per cent expenditure has been incurred already. The Committee have been informed during the course of evidence of the Ministry and in a written reply that there are 15 such Major Projects whose individual cost is more than Rs. 1000 crores and the total spill over cost is Rs. 19626.12 crores presuming that if States also contribute equally an amount of Rs. 900 crores during 1996-97, the total central and State outlay would be around Rs. 1800 crores. At this rate, it would take another at least ten years to complete these projects. The Committee note that during these ten years, there would be again cost overruns in respect of these projects. The Committee also express its concern that the already resource starved States will find it difficult to provide a matching allocation out of their Annual Plan to this Scheme. The Committee further note that the assistance proposed is in the nature of loans and not as grants and as such the entire scheme appears unattractive as it would increase the liabilities of the States. The Committee wonder as to whether there could be any takers at all for this Scheme. The Committee again express its concern over the fact that the funding criteria and guidelines for implementation of this scheme

have not yet been finalised although 1/3 of the current financial year is already over. The Committee recommend that the scheme should be made more flexible and it should not be made mandatory on the part of State Governments to make equal financial provisions against the assistance they receive from the Central Government in the form of loan. At the same time, the Committee advise the Central Government to pursue vigorously with the States concerned to make adequate allocations out of their State Plans for time-bound completion of these major projects where more than 75 per cent expenditure has already been incurred. The Committee further recommend that this central assistance should be continued and increased during the Ninth Plan. If the response to the scheme is not encouraging, the Committee recommend that the Government should explore the possibility of offering this assistance as grants instead of loans.

It was also observed that few projects of even VI and VII Five Year Plans are not completed yet. Again this results in increase in the cost. Therefore, the Committee strongly recommends that the on-going projects of the VIII Five Year Plan may be given priority for its completion and appropriate funds may be allocated.

IV. Operation and maintenance of the canal networks of the M&W Irrigation Projects are important for smooth supply of water for Irrigation. Although it is a State subject, some State guidelines are to be issued to the State Governments to find some funds for this purpose, so that the objectives of the project are not defeated. As regards to the query of water distribution in canal system, the Department highlighted changing cropping pattern as the root cause for shortage of water supply which is not the only reason.

The Committee feels that there is need to introduce the dynamic cropping pattern in the irrigation commands. Cropping pattern should be decided every year, based on the availability of water in the reservoir. This could be pragmatic for the rabi season. The Committee also feels that a proper legislation may be thought of, if necessary.

V. The Committee feel that the Ministry of Water Resources has not been giving due emphasis on the completion of SYL Canal Project which is funded cent per cent from the Central exchequer. As on date Rs. 499 crores have been spent by the Centre against its original cost of Rs. 272 crores. The Committee is of the firm view that the cost of this project escalated alarmingly upto Rs. 601.25 crores only because the matter has not been adequately pursued at the highest political level over the years and the matter has been allowed to drift interminably. This matter has been highlighted time and again by the Stand-

ing Committee on Agriculture year after year but no substantial action has been taken by the Central Government that Rs. 499 crores which have already been spent have literally gone down the drain. The fact that no work has been carried out since July, 1990, is a matter of grave concern for the Committee. The Committee having realised the magnitude of the problem recommend that this matter must be resolved on priority basis by the Ministry and for doing so meetings of the concerned States Punjab and Haryana should be called at the Chief Minister level immediately and under the guidance and active cooperation of the Prime Minister who is the Chairman of Water Resources Council, the matter should be resolved at the earliest and this issue should be delinked from territorial and Capital issues and the work of completion of SYL canal be accorded the highest priority.

VI. The Committee after having examined the present state of RPNN Ltd. have reached a firm conclusion that without substantial assistance from the Government's side, the survival of this Company is not possible at all. Though the order-book position of the Company has started improving this year upto Rs. 130 crores against the target of Rs. 120 crores, the Company will still make a net loss of Rs. 23.95 crores, during 1995-96 and Rs. 20 crores during 1996-97 as per the projections of the Company. Previous Standing Committee on Agriculture have recommended for the revival and revamping of the company and in pursuance of that a comprehensive note has been prepared by the Ministry, which is under submission to the Minister in-charge of Water Resources for his approval.

The Committee having considered the importance of the matter recommend that the fate of RPNN Ltd. must be decided immediately and the progress of this should be reported to this Committee immediately.

VII. The Committee express its grave concern over the rapidly depleting ground water level and desire that something concrete should be done to control this depletion. The Committee note that but for some pilot recharge studies in some limited area under the plan scheme nothing commendable has been done by the Government for the promotion of recharge of ground water. The Government furnished a note to the Committee stating that Ground Water Board have proposed a centrally sponsored scheme for assisting the States for artificial recharge. The total cost of this scheme has been as Rs. 81 crores with Central share of Rs. 42 crores. This scheme is yet to be approved. The Committee having realised the indispensability of artificial recharge works, strongly recommend to the Ministry that the proposed scheme of Ground Water Board for artificial recharge must be approved by the Planning Commission and

necessary funds as proposed by the Ministry be provided immediately to the Ministry to go ahead with early implementation of this scheme in the current year 1996-97 itself.

VIII. It was recorded by the previous Standing Committee that the Ministry has not done justice to CAD programme as the progress under this programme has been very tardy. The Committee feels that adequate attention must be given to Command Area Development Programme. Agricultural land drainage for controlling the salinity and water logging must form the integral part of the CAD. Irrigation and drainage have to go simultaneously to sustain the productivity of the land. The Committee therefore, strongly recommend that a separate division of agricultural drainage may be constituted in the Central Water Commission and separately trained agricultural engineers may be employed for such purposes. The Committee recommend that a study should be made about soil salinity due to seepage along the canals so that the command area should be increased.

The Committee is dismayed over the unsatisfactory progress made under the Command Area Development Programme which is the only Centrally Sponsored Scheme under the Central Ministry. The Committee observe from the written information furnished by the Ministry that the VIII Plan allocations of Rs. 830 crores approved by the Planning Commission has been reduced to Rs. 700 crores by the Ministry on its own and at a later stage the allocation under CAD again was reduced to the order of Rs. 665 crores. The Committee also find that the VIII Plan termed CAD as one of the priority sectors and accordingly a sum of Rs. 830 crores out of Rs. 1500 crores total plan outlay was allocated only for CAD Programme, which is 55.33% of the total plan allocations. The Committee further note that including the Budget Estimates of 1996-97, the total estimated expenditure comes around to Rs. 606.74 crores again leaving a shortfall in achieving the financial target of Rs. 665 crores. The Committee have their own serious apprehension about the likely shortfall in the physical achievements under various components of this scheme like construction of field channel, drains, land levelling and warabandi. These physical achievements hover around 45% of the total VIII Plan targets during first four years of the VIII Plan. The Committee strongly recommend that the Command Area Development Programme must be given its due priority as envisaged by the Planning Commission. The Committee also recommend that this should be done in close coordination with the Planning Commission after having reviewed the programme in totality and accordingly this programme should be streamlined by providing adequate allocations during this year and also during the IX Plan in accordance with the letter and spirit

of the Working Group Report.

The Committee also note that there is a sizeable gap between the irrigation creation potential created and the potential actually utilised under areas covered by Minor Irrigation and they recommend that the coverage of CAD Programme should be extended to Minor Irrigation sector from this year onwards and they desire that the Ministry should come up with a higher allocation for CAD Programme for this purpose at the revised estimate stage. The Committee take serious objection to the manner in which the original outlay of Rs. 830 crores was allowed to be curtailed to Rs. 700 crores in the first instance and then it was subjected to a further slash down to Rs. 665 crores due to which the laudable physical targets set by the Planning Commission had to remain as a distant elusive dream. The Committee wish to point out that the drainage channels etc. Constructed under the CAD Programme constitute the key element of the delivery system linking the farmer to the irrigation network and therefore they are constrained observe that if the Ministries are allowed to reprioritise their programmes in this fashion, no sanctity could be there about the original Plan strategy evolved by the Planning Commission. The committee expect that the position of pre-eminence assigned to CAD Programme should come to stay in the Ninth Plan as conceived originally.

IX. The Committee are very much concerned about the poor progress made under the Flood Control Sector. The Committee note that during VIII Plan Rs. 40 crores were earmarked for Flood Proofing in North Bihar but only Rs. 1.5 crores was released to Bihar till date and even for this amount no utilisation certificate has been furnished by the State Government. The Committee also note that the Bihar Government could come up with Flood Proofing proposals only during 1995-96, although the Eighth Plan had made provisions for these proposals right from 1992-93. The Committee further note that the VIII Plan allocation of Rs 30 crores for carrying out anti-erosion works in the critical areas of Ganga and Brahmaputra river basins mainly in U.P., Bihar and West Bengal States could not be utilised except for Rs. 2.2 crores which were released to the States of West Bengal and Bihar in 1992-93. The Committee note the fact that Pakistan has made spure along the banks of rivers Ravi and Sutlej to divert the flow of these rivers towards India and this has resulted in flooding of a substantial portion of fertile land every year in Punjab State causing huge loss due to soil erosion. Sometimes even a huge portion of land is lost to Pakistan when the rivers change their course due to floods. The committee found during the evidence that the Ministry that only Rs. 1.5 crores as loan is provided to Punjab in the Western Sector and the

same amount is given to north eastern States to overcome this problem. The rest of the required money have to be provided by the States concerned from their own plan. The Committee strongly disapprove the casual view taken by the Ministry while implementing the Flood Control Schemes and recommend the following:

(i) Flood are the regular phenomenon in some parts of the country. As per the Ministry of Water Resources statistics, 14 million hectares land have been saved from the floods, still 16 million hectares are left. Further, Ministry of Water Resources estimated over Rs. 6000 crores for the flood control measures of the remaining land. In the reply filed by the Ministry of Water Resources it was said that there is no silting in the rivers and this does not lead to the flood. This reply was found to be contrary to the real situation. The Committee strongly recommend that there should be a very close coordination between the Ministry of Agriculture and Ministry of Water Resources in this regard.

(ii) The Committee opined that the Ministry of Water Resources should activate its technical personnel to come up with data-base by having extensive observation of the flow pattern of the flood causing rivers and the damage of crops etc. As a consequence there is a need to implement large scale catchment treatment programme to control the siltation of rivers and reservoirs. In this connection the coordination between Ministry of Water Resources and Department of Soil and Water Conservation of Ministry of Agriculture is essential.

(iii) Flood Proofing should be accorded due priority and this scheme should be extended to other chronically flood affected States like Uttar Pradesh, West Bengal, Assam, Haryana, North East States etc. The entire allocations made under this scheme must be utilised during the course of the financial year regularly.

(iv) The entire allocation for anti-erosion works under the VIII Plan i.e. Rs. 30 crores must be utilised during the current year itself.

(v) A comprehensive perspective plan must be formulated for combating the flood problems and erosion in the rivers flowing along the eastern and western borders of our country and the same be approved by the Planning Commission within the shortest period possible and the entire funds required for this purpose should be borne by the Centre itself and it should be taken up for implementation in the every first year of the Ninth Five Year Plan period without any delay. The Committee are totally disappointed at the meagre allocations made in this regard in the previous years and which to impress upon

the Government the urgency involved in the matter last more harm should be done if the Government does not wake up in time to perceive the reality.

X. The Committee note with grave concern that the trend of allocation and utilisation under the Transport Sector has been far below the expected level. Rs.166 crores were allocated to the Farakka Barrage Project under the VIII Plan and till date only Rs. 66 crores have been allocated by the Ministry, having a huge shortfall of Rs. 100 crores. Moreover, the Ministry utilised only Rs. 46.14 crores out of the total allocation of Rs. 51 crores during the first four years of the VIII Plan again leaving a shortfall of Rs. 4.86 crores. The Committee deplore this unhealthy trend of under allocation and under utilisation for this Sector. The Committee are extremely unhappy over the way the Ministry has handled this project and recommend that necessary steps must be taken by the Ministry to implement the Farakka Project within a period of one year without lingering on interminably.

NEW DELHI;

29 August, 1996

7 Bhadra, 1918 (Saka)

SANTOSH KUMAR GANGWAR,

Chairman,

Standing Committee on Agriculture.

APPENDIX I

MINUTES OF THE SEVENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON FRIDAY, THE 23RD AUGUST, 1996 AT 1100 HRS. IN COMMITTEE ROOM 'D', PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1100 hrs. To 1310 hrs.

PRESENT

Shri Santosh Kumar Gangwar — *Chairman*

MEMBERS

Lok Sabha

2. Shri Thawar Chand Gehlot
3. Shri Padamsen Chaudhary
4. Shri Bhimrao Badade
5. Shri Bhupender Singh Hooda
6. Shri Gangadhar Kunturkar
7. Shri Gulam Mohd. Mir Magami
8. Shri Bajuban Riyan
9. Shri Mahaboob Zahedi
10. Dr. K.P. Ramlingam
11. Dr. Mohan Singh

Rajya Sabha

12. Maulana Habibur Rahman Nomani
13. Dr. Ranbir Singh
14. Shri Ramnarayan Goswami
15. Shri Bhupinder Singh Mann

SECRETARIAT

1. Shri P.D.T. Achary — *Director*
2. Shri S. Bal Shekar — *Under Secretary*

At the outset Chairman (AC) welcomed the Members to the sitting of the Committee and requested them to take up the adoption of the Draft Report on Demands for Grants 1996-97 in respect of Ministry of Agriculture (Department of Agricultural Research & Education), Ministry of Water Resources and Ministry of Food Processing Industries.

The Draft Reports were considered one by one and unanimously adopted without any change.

The Members of the Committee, thereafter, authorised the Chairman to present the Reports on Demands for Grants 1996-97 in respect of Ministry of Agriculture (Department of Agricultural Research and Education), Ministry of Water Resources and Ministry of Food Processing Industries to the House on a date and time convenient to him.

The meeting then adjourned.