

CHAPTER I
**STANDING COMMITTEE ON AGRICULTURE
(1999-2000)**

THIRTEENTH LOK SABHA

MINISTRY OF WATER RESOURCES

DEMANDS FOR GRANTS (2000-2001)

TENTH REPORT

LOK SABHA SECRETARIAT

NEW DELHI

April, 2000/Chaitra, 1922 (Saka) Presented to Lok Sabha on 19.4.2000

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COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (1999-2000)

Shri S.S. Palanimanickam - *Chairman*

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2. Dr. (Smt.) Paramjeet Kaur Sandhu - Director
3. Shri Rajshekhar Sharma - Deputy Secretary
4. Smt. Anita Jain - Under Secretary
5. Shri Ramesh Lal - Reporting Officer

-
- Nominated on 6th April, 2000
 - ** Nominated on 15th March, 2000
 - # Shri Gufran Azam retired on 2nd April, 2000
 - # Shri Ramji Lal retired in 2nd April, 2000
 - # Dr. Ranbir Singh do-
 - # Shri Naresh Yadav do-

PREFACE

I, the Chairman, Standing Committee on Agriculture having been authorised by the Committee to submit the report on their behalf, present this Tenth Report on Demands for Grants of the Ministry of Water Resources for the year 2000-2001.

2. The Standing Committee on Agriculture was constituted on 31st December, 1999. 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 make 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 29th March, 1999. 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 2000-2001 and for giving evidence before the Committee.

4. The Committee considered and adopted the Report at their sitting held on 10th April, 2000.

New Delhi;
10th April, 2000 *Chairman,*
21 Chaitra, 1922 (Saka)
Agriculture

S.S. PALANIMANICKAM,

Standing Committee on

PART - I

CHAPTER I

DEMANDS FOR GRANTS (2000-2001) OF MINISTRY OF WATER RESOURCES
AN INTRODUCTION & OVERVIEW

Role & Functions

1.1 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 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 approach. 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, 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 form of Central assistance or block loans.

1.2 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 irrigation schemes, programmes and projects but techno-appraisal of these schemes. Relative to overall planning policy formulation in overall national perspective, coordination etc. the Budget of the Central Ministry of Water Resources is largely an establishment oriented Budget.

1.3 The demand of Ministry of Water Resources is contained in Demand No. 88 of Central Budget. Given below a Budgetary summary of Ministry of Water Resources : Demand No. 88

(Rs. in crore)

Year	Plan	Non-Plan	Total
1998-99(Actuals)	346.79	176.02	522.81
1999-2000(BE)	370.00	183.35	553.35
1999-2000(RE)	370.00	201.74	571.74
2000-2001(BE)	475.42	206.50	681.92

1.4 The Budget Estimates(2000-2001) is Rs. 681.92 crore comprising Plan allocation of Rs. 475.42 crore and non-plan allocation of Rs. 206.50 crore, while the budgetary allocation in (1999-2000) was Rs. 553.35 crore comprising Plan allocation of Rs. 370.00 crore and non-plan allocation of Rs. 183.35 crore.

1.5 Then it is seen that budgetary allocation for the year 2000-2001 has increased by 22% more over budgetary allocation for 1999-2000. When asked for the reasons for substantial increase of allocation, the Ministry in their written reply stated :

"The higher allocation in the overall Budget Estimates for the year 2000-2001 is mainly due to higher Plan allocation in the Flood Control Sector, which alone accounts for an increase of Rs. 93.08 crores. Some of the important areas where substantial increase has been effected areas under:-(a) An allocation of Rs. 40.00 crore for taking up Pagladiya Dam Project work in Assam has been approved in 2000-2001 against only Rs. 1.00 crore approved for the project in 1999-2000.

(b) Flood control works in Brahmaputra Valley are proposed to be enhanced during the year 2000-2001 for which the Central Government would provide soft loan assistance to some of the North-Eastern States for their short-term flood control schemes. The scheme has been allocated Rs. 30.00 crore in 2000-2001, against Rs. 15.00 crore provided last year.

(c) The scheme of the Ministry for providing loan assistance to the State of UP, Bihar and West Bengal for their critical anti-erosion works is likely to be approved by the EFC shortly. An allocation of Rs. 23.00 crore has been made for the scheme of critical anti-erosion works in Ganga Basin States for the year 2000-2001 against Rs. 1.50 crore allocated for this activity last year."

1.6 The Committee enquired about the demand placed by the Ministry of Water Resources to the Planning Commission and that approved by them for the year 2000-2001 the reply is given under :- (Rs. in crore)

Sector	Proposed outlay	Approved Outlay
Secretariat & Economic	2.46	2.30
Services Major & Medium Irrigation	75.48	50.60
Minor Irrigation	90.94	85.27
CAD Programmes	181.00	160.88
Flood Control	199.36	154.87
R&D		
Sub-total	549.24	453.92
Transport Sector (FB Project)	33.71	21.50
Total	582.95	475.42

1.7 The Committee enquired if the allocation is sufficient in view of the development of Agriculture envisaged in the next 10 years, the Secretary (Water Resources) stated:- "Sir, I entirely share your concern. Particularly this water resources sector is one of the most important sectors. It is not only necessary for the life of the people but also for the economic development of the country. We need water for agricultural development. Water Resources projects also produce energy, which is basically required even for industrial development. So, water is a basic engine for development. That is why we have been pursuing with the Planning Commission to give as much allocation as possible. Considering the constraints of the overall budget in the country, we demanded Rs. 582 crores under the plan. Of course, non-plan is separate. But we were allotted Rs. 475 crore. Therefore, they thought that they are giving Rs. 100

crore more this year than last year and that, perhaps, we should be satisfied with whatever they have given to us. We tried our best. We wanted Rs. 582 crore. They have given Rs. 475 crore. But when compared to last year's Budget allocation we have got Rs. 475 crore against Rs. 370 crore of last year." 1.8 The year-wise Budget Estimates and Actual Expenditure from 1992-93 to 2000-2001 are given as under :-(Rs. in crore)

Year	BE	Actual Expenditure
1992-93	240.00	199.26
1993-94	289.00	274.94
1994-95	275.47	232.67
1995-96	311.80	251.67
1996-97	1278.23	796.93
1997-98	341.00	288.87
1998-99	410.85	346.79
1999-2000	370.00	370.00(RE)
2000-2001	475.42	-

National Water Policy

1.9 The policy lays down broad guidelines for development and management of Water Resources, governed by National Perspective, treating water as a prime natural resource and a national asset. Since the adoption of the National Water Policy in 1987, a number of problems/challenges have emerged in the development and management of the Water Resources Sector. The National Agenda for Governance provides for adoption of a National Water Policy for effective and prompt settlement of disputes and their time bound implementation. Further in his address to the Nation on 22nd March, 1998, the Prime Minister had also stated that the Government would unveil a National Water Policy so that no water goes waste and we can clean up our water resources. Accordingly, the National Water Board in its meeting on 29.10.1998 reviewed the existing National Water Policy 1987, considered proposed changes and finalised the updated draft National Policy.

1.10 When enquired about the finalisation of National Water Policy and reason for delay, the Ministry stated as under

"The revised National Water Policy draft has been finalised by the Government and needs to be placed before the National Water Resources Council headed by the Prime Minister of India for approval. The meeting of the National Water Resources Council is scheduled to be held on 3.4.2000 at New Delhi. The Revised National Water Policy would be adopted after the approval of

the National Water Resources Council."

1.11 The Committee while taking evidence asked the Secretary (Water Resources) regarding the latest position of National Water Policy, the Secretary stated:

"As you are aware the National Water Policy was formulated in 1987. During the last 12-13 years, there have been several new developments such as environment, inter-state issues, pollution, quality of waters. Many issues have come up. So, there was a necessity to review the National Water Policy. That exercise has been done. We have discussed this revised National Water Policy in their National Water Board. It is actually an assisting body which is headed by the Hon. Prime Minister. This Water Board is headed by the Secretary, Water Resources. All the States are the Members of the National Water Policy in the Board and we have by and large got consensus except two or three States which are still having reservation. We have finished the Draft of the national Water Policy and we will place it before the National Water Council. The meeting was scheduled to be held on 3rd April, 2000 but due to some administrative reasons, it is not possible to hold it on 3rd April. We are postponing it now. But we are ready with the Draft. As soon as the Council approves it, it can be implemented."

Strategy for Ninth Five Year Plan

1.12 The Ministry of Water Resources in their 9th Five-Year Plan proposals has identified the following thrust area:

- (i) Early completion of ongoing irrigation projects for accelerated irrigation benefits by providing higher plan allocations to the irrigation sector under State and Central Plans.
- (ii) Proper operation and proper maintenance of existing irrigation schemes by providing adequate funds for the purpose.
- (iii) Encouraging community/farmers participation in irrigation management for taking over operation and maintenance of distribution system at distributory/minor levels.
- (iv) Reducing the gap between the irrigation potential created and its actual utilisation by strengthening the existing centrally sponsored Command Area Development Programme.
- (v) Restoration of old Minor irrigation works particularly irrigation tanks through modernisation/community participation.
- (vi) Rationalising pricing of water supplies for agriculture in phased manner.
- (vii) Encouraging construction of new minor irrigation works consistent with water availability and prudent irrigation practices.
- (viii) Promoting conjunctive use of surface and groundwater and optimum use of rainfall to supplement the same.
- (ix) Optimising water use efficiency through adoption of water efficient devices and modern scientific practices in irrigated agriculture.
- (x) Encouraging research and development and use of remote sensing techniques in the water resources sector.
- (xi) Strengthening and modernising hydrological observation and flood forecasting networks in all river basins in the country and discouraging encroachment in flood plain zones.

(xii) Taking concrete steps towards implementation of a national perspective on water development through inter-river basin transfers of surplus water.

(xiii) Reviewing the existing approach to assessment of utilisation or irrigation potential in terms of the irrigated areas and introduce an assessment based on the number of waterings of uniform water depth per hectare in an irrigation system and then gradually moving towards assessment on volumetric measurement.

Ninth Five Year Plan Outlay

1.13 In the original proposal submitted by the Ministry to Planning Commission, the Ministry proposed an outlay of Rs. 12672.14 crore including Rs. 5000 crore for AIBP for the Ninth Plan. The Ninth Plan Outlay as approved by Planning Commission is Rs. 2291.25 cr.

Gross Budget Support	-	Rs. 2291.25 cr.
(i) Domestic Budget Support	-	Rs. 2145.42 cr.
(ii) External aid through Budget	-	Rs. 145.83 cr.

The Sector-wise detail of the allocation made is as follows :-

		(Rs. in crores)
Secretariat and Economic Services	-	8.75
Major and Medium Irrigation	-	283.00
Minor Irrigation	-	385.00
CAD	-	860.00
Flood Control	-	598.13
R&D	-	37.79
Transport Sector	-	118.00

Budget Allocation for the North Eastern Region of the country

1.14 The percentage of total plan funds allocated for North Eastern Region for the year 2000-2001 is given as under :-

"The Planning Commission has earmarked the following allocation for the North-Eastern Region in the Plan budget of the Ministry for the year 2000-2001.1. Pagladiya Dam

Project	=	Rs. 40.00 crore
2. Harrange Drainage Scheme	=	Rs. 3.20 crore
3. Flood Control in Brahmaputra Valley	=	Rs. 4.50 crore
(Out of approved allocation of Rs. 30.00 crore)		
Total	=	Rs. 47.70 crore

1.15 The above allocation for the North-Eastern Region is 10% of the total Plan allocation of the Ministry for 2000-2001.

1.16 The Committee further wanted to know the percentage of plan funds allocated and utilised in North East States during the years 1998-99 and 1999-2000. The Ministry in their written reply stated:-

The percentage of outlay and expenditure for the schemes pertaining to the North East Region in 1998-99 and 1999-2000 has been as under :-

% of outlay for North Eastern Region	10.6	10.2
--------------------------------------	------	------

% of expenditure 10.4 12.0 (anticipated)

1.17 On being asked what efforts are being made by the Ministry to operationalise more schemes in North East States the Ministry stated :-

"The PIB Meeting for investment clearance of Pagladiya Dam Project was held on 14.3.2000 and the scheme is scheduled to start in full swing from the next financial year. Besides, the EFC Meeting for Flood Control works in the Brahmaputra Valley is also to be held shortly and extensive short-term flood control works in Assam, Arunachal Pradesh, Nagaland and North Bengal would be taken up during the next financial year. Special programme for protection of Majuli island in Assam from erosion by the Brahmaputra river would also be taken up."

1.18 For supplementary replies after evidence, the Ministry furnished information in written replies regarding scheme wise allocation:

"Plan outlay of this Ministry for the year 2000-2001 is Rs.475.42 crore. Out of this, the Ministry has earmarked an allocation of Rs.91.90 crore for the following Schemes in the North Eastern region:

(Rs. in crore)

i)	Pagladia Project	40.00
ii)	Flood Control Works in Brahmaputra Valley	30.00
iii)	Brahmaputra Board	15.50
iv)	Harrange Drainage Scheme	3.20
v)	Command Area Development Programme	1.50
vi)	Investigation of Micro Hydel Schemes of Arunachal Pradesh	0.85
vii)	Strengthening and Modernization of Flood Forecasting and Hydrological Observation Network in Brahmaputra Basin	0.50
viii)	Modernization of existing Flood Forecasting activities in North-East	0.35
	Total	91.90

1.19 The above allocation for the North Eastern Region works out to 19.33% of the total Plan allocation for the year 2000-2001. This is against the mandatory minimum requirement of

earmarking 10% of the allocation for the North Eastern Region, in terms of which the Planning Commission had earmarked minimum allocation of Rs.47.70 crore.

Overseas Assistance

1.20 There are currently 23 projects of Water Resources under implementation with overseas assistance.

1.21 The Committee wanted to know the latest position in regard to various ongoing Water Resources projects with overseas assistance, the percentage of utilisation of assistance and physical achievement made so far vis-à-vis targets fixed for each of the projects. The details are given under :-

Percentage of Utilisation of Assistance of Overseas Assisted Projects

Sl. No. of Jan.	Donor Agency	Name of the Project	State	Date of Commence-ment	Date of Comple-tion	Amount assistance (Million	upto
DC)	2000	centage					
1.	WorldBank						
(i)	Haryana Water	Haryana	06.04.1994	31.12.2000	US\$ 258.00	US\$	
136.106	53	Resources Consolidation Project					
(ii)	T.N. Water	T. Nadu	19.04.1995	31.03.1995	US\$ 282.90	US\$	
78.586	28	Resources Consolidation Project					
(iii)	Orissa Water	Orissa	05.01.1996	30.09.2002	US\$ 290.00	US\$	
127.631	44	Resources Consolidation Project					
(iv)	Hydrology Project	Multi-State	02.09.1995	31.03.2002	US\$ 142.00	US\$	
35.931	25.30						
(v)	Andhra Pradesh	A.P.	03.06.1997	31.01.2002	US\$ 325.00	US\$	
75.436	23.2	Irrigation Project III					
(vi)	APERF	A.P.	04.02.1999	31.03.2004	US\$ 142.00	US\$	
30.00	22.0	(Irrigation Component)					

2.	EEC	(i)	T.N. Tank Irrigation System Phase II	T.N.	24.07.1989	31.12.1999	ECU 24.5	ECU
21.955		89.60						
(ii)	Kerala Minor	Kerala		21.05.1992	31.12.2000	ECU 11.80	ECU	
2.770		23.47	Irrigation Project					
(iii)	Sidhmukh & Nohar Irrigation Project	Rajasthan		07.06.1993	31.12.2000	ECU 45.00	ECU	
32.740		72.75						
(iv)	Orissa Minor Irrigation Project	Orissa		03.07.1995	31.12.2004	ECU 10.70	ECU	
0.465		4.34						
(v)	Saline Land Reclamation Project Phase II	Maharashtra		11.07.1995	31.12.2005	ECU 15.50	ECU	
0.000		-						
(vi)	Modernisation of Tank Irrigation System	Pondicherry		21.02.1997	21.02.2003	ECU 6.55	ECU	
0.000		-						
3. Bilateral								
1. OECF-	(i)	Modernisation of Kurnool-Cuddapah Canal	A.P.	11.01.1996	26.03.2003	Yen 16049.00		
Yen 853.222		5.32						
Japan	(ii)	Rajghat Canal Project	M.P.	25.02.1997	31.03.2003	Yen 13222.00		
Yen 1189.400		8.99						
(iii)	Rengali Irrigation Project	Orissa		12.12.1997	05.02.2003	Yen 7760.00	Yen	
17303.133		21.94						
2. Nether-	(i)	Community Irrigation Project	Kerala	15.12.1993	30.6.2000	NLG 11.02	NLG	
2.805		26.17						
lands	(ii)	APWELL	A.P.	14.11.1994	14.11.1999	NLG		
37.0		NLG 2.70	7.29					
(iii)	Bundelkhand Water Resources Management Project	U.P.		12.06.1996	31.05.1999	NLG 3,087	NLG	
1.352		43.79						

3.	KFW	(i)	Lift Irrigation	Orissa	19.12.1993	31.12.2000	DM 55.00	DB
37.87			68.85					
	Germany		Project					
		(ii)	Maharashtra	Maharashtra	31.12.1998	31.12.2006	DM	
45.00			NIL	-				
			Minor Irrigation					
			Project					
4.	France	(i)	Hydroplus	Gujarat	10.12.1998	10.12.2000	FF	
34.74			NIL	-				
			Fusegate					
			Systems of 8 Dams					
		(ii)	Ground water	Manipur	20.11.1998	31.12.2001	FF	
4.53			NIL	-				
			Exploration					
			Project in North-West					
			of Imphal					
5.	Canada		Rajasthan	Rajasthan	13.03.1990	31.12.1999	C\$ 60.75	C\$
48.96			80.59					
			Agriculture					
			and Drainage					
			Research					

Project

:

1.22 The Committee pointed out during evidence that the financial progress in most of the projects undertaken by overseas assistance is not satisfactory. When asked the Monitoring done by Ministry to increase the pace of work, the Secretary (Water Resources) stated:

"We have taken it up with the State Governments. I have written DO letters to the Chief Secretaries to look into this personally and make sure that the progress of these projects is accelerated. We have requested them to give quarterly progress reports, both physical and financial. We are getting good response and we have got replies from the Chief Secretaries saying that they are looking into it. Actually, we have constraints that physically we cannot monitor all those number of projects, which are bilateral projects between the States and the donor agencies. We only facilitate in getting this World Bank assistance and then monitor it based on the quarterly report. The Central Water Commission monitors the projects like Hydrology Project and the WRCP Project. We will again write to the Chief Secretaries to accelerate these projects."

Hydrology Project

1.23 The Hydrology Project is being implemented with International Development Association (World Bank) assistance of SDR90.1 million (US\$ 142 million equivalent) under a credit agreement with Government of India. The total cost of the Project is estimated at US\$180.9 million comprising IDA Component US\$ 142 million; Government of India component US\$ 21.5 million and

Dutch Grant US\$ 17.4 million. The CreditDevelopment Agreement and Project Agreement was signed with the World Bank on 22nd September, 1995 for six years project operation (1995-96 to 2000-2001) and credit effectiveness of the project began on 20.12.95. The Government of Netherlands is providing a grant-in-aid of DFI 29.9 million (US\$ 17.4 million) in the form of technical assistance under a bilateral Indo-Dutch Agreement.

1.24 The financial Outlay in respect of Hydrology projects are given below :-

(Rs. in crore)

	Actuals 1998-1999	BE 1999-2000	RE 1999-2000	BE 2000-2001
Hydrology Project	6.61	22.99	22.00	50.05

1.25 The year-wise expenditure under the scheme from 1996-97 to 1999-2000 is given as under :-

(Rs. in crore)

1996-97	2.32	
1997-98	6.61	
1998-99	12.74	1999-
2000	15.81	.

1.26 Outlay for the scheme for different implementing agencies of Ministry of Water Resources during the year 2000-2001 is given as under: -

(Rs. in crore)

Implementing Agency	Outlay for 2000-2001		
	Domestic Support	External Support	Total
Ministry(Proper)	0.12	1.13	1.25
Central Water Commission	2.50	15.00	17.50
Central Ground Water Board	2.00	30.00	32.00
Central Water & Power Research Station	0.27	3.30	3.57
National Institute of Hydrology	0.18	0.62	0.80
Total	5.07	50.05	55.12

1.27 The Committee wanted to know whether the Ministry expects to utilise the full assistance under this scheme and complete it by the target date i.e. upto March, 2002. The Ministry stated,

"The Government of India approved the implementation of Hydrology Project on April 4, 1996 at a cost of Rs. 457.88 crore. The World Bank against this base cost estimated the project cost as Rs. 609 crore taking into consideration the physical and price contingencies during the project period and extended a credit of SDR 90.1 million. However, because of rise of rupee parity to dollar from Rs. 32 at the commencement of the project to Rs. 43.50 now, the decline of unit prices of computers from project appraisal time, availability of free of cost Computer Software for Surface Water data processing centres from HP Consultants, excess estimation of training cost, etc. about SDR 20 million would remain undisbursed from the credit and this amount has, therefore, been proposed for cancellation from the credit by World Bank Supervision Mission of February-March, 2000. The exact amount of surrender will depend on the review of the programme as a whole, being carried out by the Ministry in consultation with the project agencies. This surrender would, however, have no effect to project programme approved by the Government of India as the expenditure under the project is equal to the approval cost is expected to be made by the project closure date of March 31, 2002."

1.28 The Committee were informed that the slow pace of programme were due to administrative problems like observance of World Bank procurement procedure, lack of trained staff and infrastructure facilities etc. When asked about the remedial measures taken by the Government to take each of these problems, the Ministry stated the following remedial measures:-

An expenditure of Rs. 197.35 crore has been incurred under the project upto December 31, 1999 which is 42% of the baseline cost of project. The reasons that have held up the project progress and the remedial actions taken for their resolution are summarised below:

Reasons for delay in Progress taken	Remedial measures
<p>(a) Delay in the Commencement of the Project: Although the Project agreement was signed in September 1995, the Government of India indicated that such a approval to project implementation considered at a time near was obtained in April, 1996 only. The acceptance of actual work under the project commenced down the implementation</p>	<p>Informal discussions have been held with the World Bank for possible extension of Project closure date by one year. The Bank has request could only be to project closure date, as extension now could slow</p>

thereafter.
present.

momentum built up at

(b) **Delay in the start of Consultancy Service:**
possible at this stage.

No remedial measure is

The consultancy agreement for engaging Consultants was signed in July, 1996 between Royal Netherlands Embassy and Consultants. The actual consultancy work could commence only after October, 1996, when the Inception Report prepared by HP Consultants was approved after visiting all the eight States.

These two factors (a) and (b) coupled with the time needed by the implementing agencies to put the necessary infrastructure in place for project implementation ensured a little progress in the first year. And, this delay has not been made up till date. The project, is, in fact, one year behind scheduled.

(c) **Time constraints in Planning for the Civil Works:**
assuming a

The Ministry of Water Resources

The Project, inter alia, provides for establishing a network completion time of this

proactive role cut short the

of river gauging, piezometer and meteorological sites. The agencies together and

activity by bringing the various

steps needed for establishing these sites entail first pin-pointing the site locations on the map based on prescribed norms and thereafter ascertaining the suitability of the site with reference to field conditions by undertaking a detailed site survey inspection by a team consisting of officers of State and Central agencies. This activity took more time to complete than what has been assumed in the project. Further, the non-availability of staff and vehicles added to delay. Though, this activity consumed a lot of project period, no financial progress could be realised with the completion of this activity.

setting the time scheduled.

(d) **Time consumed in preparation of Specifications and**
proactive role and

The Ministry here also played a

Standardisation: To achieve Hydrology Project objective finalisation of

advised the consultants for early

it was considered imperative that the project activities and equipments to be

specifications of almost all the

specifications of equipments are standardised. Accordingly, have been finalised.

purchased under the project

the project States/Central agencies were advised to defer

their procurement plan still the necessary specifications are finalised for adoption. The finalisation of specifications is somewhat an arduous process which takes time. Further, in case of novel equipments, the agencies were advised to procure, initially, a limited number of equipments and study their efficacy before going for purchase of full quantity. Also, in some cases pilot studies were undertaken.

(e) **Delay in Procurement Procedures:** The procurement World Bank procurement procedures of the World Bank are at variance to the organised to familiarise the procedures being followed by the concerned agencies implementing agencies with the for the procurements made out of their own funds. The HP Consultants bid evaluators who are accustomed to their own procedures Ministry have also hired a retired find it difficult in adopting to this new situation. The specialist to assist the difficulty arises when because of seemingly trivial deviations to day issues concerning with the stipulations laid down in the bid documents, the relatively good bidders have to be declared non responsive which leads to delay in decision making. agencies have been conferences with the The project agencies (advised by consultants and World Bank) generally resort to prescribing stringent qualification documents they have to criteria and specifications in order to keep at bay the unscrupulous/small bidders from the bidding process. This step in many of the procurement cases has led to complications and evaluation stage. Further, the amount involved in most of the ICB packages is too small to evoke interest from overseas bidders. Only those foreign bidders, who have their representatives/ authorised dealers here in India, normally bid for these purchases. For such cases, if any clarification is sought, then concerned bidders are obliged to consult their principals before responding to the purchaser, which is again a

A number of workshops on procedures have been concerned officers of Bank Procurement procedures. at the request of the World Bank procurement project agencies in their day procurement. Also, the project implementing advised to hold pre-bid prospective bidders to clarify different stipulations and the furnish in their bid.

protracted process.

It has been observed that most of the Indian bidders are not well versed with the nuances of the World Bank procurement procedures. This holds true in the case of blue chip companies too. In almost all the procurement cases processed so far, there is hardly any bid which is complete in all respects.

(f) **Large volume of packages:** In contrast to the Nothing much should be done in this regard other mega World Bank projects like WRCP, the agencies to put

number of procurement packages in the Hydrology purpose.

Project is quite large but the financial expenditure involved in each package is quite low i.e. it does not commensurate with the efforts put in by the implementing agencies in processing it, thereby, putting extra work load on the project agencies.

(g) **Lack of trained Staff:** improve the

project

organised and have

remaining project

project

under the

except advising the concerned

in extra efforts needed for this

A large number of trainings to

skills of the staff associated with

implementation have been

also been planned for the

period. About 24000 staff of the

agencies will be provided training

project.

1.29 The Secretary (Water Resources) showing optimism on the project during evidence stated "We feel that we will be able to utilise this fund in the next two years as the whole project is fully geared up. Now, all the initial problems have been sorted out and I hope will be possible. Although this is a very complex project, it has hundreds and thousands of Stations where various upgradation is to be done, the monitoring is not easy for this but even then, we have geared up and I hope that it will be done. Full funds will be utilised for this." **Dam Safety Assurance and Rehabilitation**

Project

1.30 The Dam Safety Assurance and Rehabilitation Project, which was funded by World Bank has been completed on 30.09.1999. The total restructured cost of the project was Rs. 432.18 crore including Central component of Rs. 32.40 crore. Against this, the implementing agencies have been

able to incur an expenditure of Rs. 422.50 crore (97.76%). Against the eligible amount of Rs. 228.455 crore reimbursement has been claimed for the entire amount and the same has been reimbursed by the World Bank.

1.31 The financial outlay in respect of Dam Safety Assurance and Rehabilitation Project is given below :-

(Rs. in crore)

	Actuals 1998-1999	BE 1999-2000	RE 1999-2000	BE 2000-2001
Dam Safety Assurance and Rehabilitation Project	12.34	8.10	9.47	1.17

1.32 When asked about the utilisation of external credit and achievement of physical Targets as laid down by the Ministry, the Ministry in their reply stated:

"The expenditure incurred upto 30th September, 1999 under the project is 4229.50 million against restructured Project cost of Rs.4232.00 million which constitutes 99.95% utilisation of the credit.

The component wise achievement of the physical targets upto 30.9.1999 is as under :-

Components	Targets		Achievements
Institutional Strengthening	No specific target		
Basic Dam Safety Facilities	Original	Revised	
Madhya Pradesh	46	94	91
Orissa	15	15	15
Rajasthan	21	60	60
Tamil Nadu	16	16	16
Total	98	185	182
Remedial Measures			
Madhya Pradesh	8	17	13
Orissa	9	10	8

Rajasthan	7	8	7
Tamil Nadu	9	5	5
Total	33	40	33

1.33 The Committee further wanted to know the number of dams rehabilitated under the project, the Ministry in their written reply stated :-

"A Major part of the works on the unfinished seven dams (Madhya Pradesh 4, Orissa 2 and Rajasthan 1) were contemplated under the project itself upto 30.9.1999. The remaining works are now being completed by the State Governments through their own resources."

Research and Development Programme

1.34 The budget estimates (Plan) for 1999-2000 for Research and Development Programme was Rs.2.60 crore but at the Revised Estimate stage the allocation of funds have been reduced to Rs.2 crore. The Government have again slashed down the Budgetary allocation for the year 2000-2001 to Rs.1.70 crore. When the Committee asked about its impact on the overall research and development programme of the Ministry, the Ministry stated: "Budget requirements for the year 2000-2001 for R&D under Major and Medium irrigation was made for an amount of Rs.4.30 crore. However, the allocation was reduced to Rs.1.70 crore in consideration of the overall economy as well as expenditure during the previous years. However, it is felt that the allocation may have to be increased as the expenditure during the year 1999-2000 has picked up.

Till now, all the R&D schemes funded by the Ministry of Water Resources are `sponsored research schemes. In such schemes it is difficult to estimate the requirement of funds because the operation of the sanctioned scheme is under the control of the concerned Universities. The implementation is some times delayed because of the procedures prevalent in each university. As a result the disbursement of funds does not follow the pattern envisaged at the time of sanctioning the scheme.

1.35 Also, new schemes are received at the initiative of the investigators, mostly academicians in various engineering and agricultural universities, and it is difficult to predict with any degree of accuracy as to how many new schemes will be received in the coming year and what will be their cost. However, during 1999 several procedural changes have been made to improve the implementation of the R&D programme. A review meeting was held in the Ministry under the Chairmanship of Secretary (WR) wherein the procedures for examination of new proposals and administration of ongoing programs was reviewed.

Comprehensive guidelines on R&D have now been prepared and are under printing. A new concept of `invited research has been envisaged where R&D proposals will be invited by the Ministry of Water Resources on topics of immediate importance.

1.36 In view of the above developments, it is expected that the Research & Development Programme of the Ministry will improve substantially."

1.37 During the evidence session, the Committee enquired, does the Ministry has any general training programme in the irrigation sector, the Secretary stated: "We have an in-built training arrangement in Central Water Commission. There is a Central Training Institute in Pune which conducts training courses for service engineers. It also conducts specific courses for training of the

State engineers. They invite them to attend those courses and similarly, we also have training component in all over World Bank assisted projects. They have invariably a training component under which they also go abroad for taking some short-term training. **"Major and Medium Irrigation Sector**

1.38 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 role 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.

1.39 There were 162 Major, 240 Medium and 74 ERM (Extension, Renovation and Modernisation) on going irrigation projects in the country at various stages of construction at the end of the VIII Plan with spill over cost of Rs. 79,321.39 crores.

During the year 1999-2000, eighty nine new major and fifty six Revised Major Irrigation Projects seventy three new medium and forty six Revised Medium Irrigation Projects were under appraisal in the various regional offices of the CWC by Ministry for implementation. Twenty projects as detailed below were found acceptable by the Ministry for implementation.

Name of the State	Name of the Project	Estimated cost in Rs. crores	Annual Irr. In Ha.
Bihar	Upper Kiul Reservoir Project (Revised)	106.53	19,000
Manipur/Assam	Jiri Medium Irrigation Project	48.68	9,775
Maharashtra	Utawali Irrigation Project (New-Medium)	35.78	5,394
Orissa	Upper Kolab Irrigation Project (New-Major)	71.66	19,283
Orissa	Ret Irrigation Project (New-Medium)	86.14	9,775
Orissa	Telengiri Irrigation Project (New-Medium)	106.18	13,829
Punjab	Kandi Canal Extension (New-Medium)	147.12	23,326

Rajasthan	Flood Protection/Diversion Scheme of Kota City(Phase-I) (New-Medium)	19.75	
Rajasthan	Modified Project of Ghaggar Flood Control (New-Major)	101.69	
Uttar Pradesh	Saryu Nahar Pariyojana (Revised-Major)	2765.16	14,04,000
Uttar Pradesh	Eastern Yamuna Link Channel (Hathnikund) (New-Major)	22.44	3,41,118
Punjab	Remodelling of channel of UBDC system	177.89	4,72,000
Andhra Pradesh	Yerravagu Medium Irrigation Project (New-Medium)	31.28	4453
Andhra Pradesh	Surampalem Reservoir Scheme	46.70	6205
Bihar	Durgawti Reservoir Scheme	234.41	36,421
Bihar	Western Kosi Canal Project (Revised Major)	884.60	2,33,00
Bihar	Bateshwarsthan Ganga Pump Canal Phase-I (RevisedMajor)	212.00	27,603
Himachal Pradesh	Swan River Flood Management and Integrated DevelopmentPhase-I (Flood Control)	102.72	

Assam	Pagladiya Dam Project(Multipurpose)	540.99	54,160
Himachal Pradesh	Renuka Dam Project (New-Major)	46.70	6,205

1.40 The Committee wanted to know during evidence the position of Svaranrekha Project which is pending for 15-20 years, the Secretary (WR) informed that Svaranrekha Project is multi-state project and it will benefit Bihar, West Bengal and Orissa. The main dam is in Bihar. He further informed that forest clearance has not been received and since the project is being implemented by Bihar Government it is their responsibility to seek the clearance from Planning Commission. They have written several times to them.

Accelerated Irrigation Benefits Programmes

1.41 The Government of India launched the Accelerated Irrigation Benefits Programme during 1996-97 for accelerating implementation of ongoing irrigation/multi purpose projects on which substantial progress has been made and which are beyond the resources capability of the State Government and for other major and medium irrigation projects which are in advanced stage of construction and could yield irrigation benefits in next four agricultural seasons.

1.42 Assistance (in the form of CLA) under the programme is given in the form of loan at the rate of interest prescribed by the Ministry of Finance from time to time. The Central Loan Assistance (CLA) to the States is released in two installments of 50% each. The second instalment is released after the States have incurred expenditure including their shared together with the CLA already released to them.

1.43 The projects covered under AIBP are monitored by Central Water Commission with the help of its regional offices situated all over the country. The releases of subsequent instalments are based upon their reports. The funds are released by the Ministry of Finance on the recommendations of this Ministry.

1.44 Since the launching of this programme in 1996-97, an amount of Rs. 3959.07 crore has been released upto 15th March, 2000.

1.45 The financial allocation and actual expenditure incurred during the years 1996-97 to 2000-2001 for Accelerated Irrigation Benefits Programme are given as under :-

(Rs. in crore)

Name of the scheme	Year	Plan
Accelerated Irrigation Benefits Programmes	1996-97 (Act.)	500.00
	1997-98 (Act.)	952.19
	1998-99 (Act.)	1119.18
	1999-2000 (RE)	1400.00

1.46 The Committee desired to know the reasons for allocating less funds for this sector at Revised Estimates stage for the year 1999-2000. The Ministry stated as below:-

"The funds for Accelerated Irrigation Benefits Programme (AIBP) are allocated by the Head of Ministry of Finance. The proposals for release of CLA under AIBP are recommended by this Ministry and the funds are released by the Ministry of Finance. During 1999-2000 the Ministry of Finance has reduced the amount of Rs. 1600 crores as allocated for the Programme to Rs. 1400 crore at RE stage without consulting the Ministry of Water Resources. The matter is being taken up with the Ministry of Finance for increasing the allocation to original level of Rs. 1600 crore. A total potential of 579.834 hectares have been created under AIBP during the years 1996-97, 1997-98 and 1998-99".

1.47 During evidence, the Secretary, Ministry of Water Resources elaborated:

"This problem has also been highlighted in the President's Address to both the Houses of Parliament and this is one of the items, which we have to follow up vigorously. There are more than 400 projects, which are going on for quite some time. Some projects are going on for the past 20 to 25 years. In fact few are continuing from the Second and third Plan period also. To accelerate these projects, we have started the Accelerated Irrigation Benefit Programme (AIBP) and we have been assisting the States to complete these projects as soon as possible".

1.48 We have also carried out an exercise and identified as to how many projects are in the final stage and can be completed in a couple of years. We have written to the Chief Secretaries of the State Governments, identifying these projects and stated that they should either complete them in one or two years or they should write to us for funds. The letters have gone both at my level and also at the Ministers level to all the Chief Ministers. As a result of this, we have completed seven projects last year and 14 are going to be completed this year. Another 44 projects have been identified to be completed during next year. So, 66 schemes are going to be completed under AIBP by the end of next year.

1.49 In addition to that, we have also identified certain schemes which are not covered under AIBP which are in the final stage and a little push can be given to complete them. That exercise has been done and we find that we would be able to complete 133 schemes soon which includes the above 66 schemes under AIBP. We hope that by the end of the Ninth Plan that is in the next two years 133 schemes would be completed."

1.50 It is seen from the budget performance that the funding pattern is further relaxed for special category States and KBK districts of Orissa. When enquired the Ministry in their written reply stated:

"During 1999-2000, the funding pattern under AIBP has been relaxed from the ratio of 2:1 (Centre:State) to the ratio of 3:1 (Centre:State) for special category States of KBK districts of Orissa and special category States as well as the new major/medium irrigation projects benefiting KBK districts are eligible under the programme." **Command Area Development Programme**

1.51 The Command Area Development Programme was initiated in 1974-75 as a Centrally sponsored programme with the objective of ensuring efficient utilisation of created Irrigation potential for optimising agricultural production from irrigated lands. Presently there are 226

Achievement of IX	Target	1998-99	1999-2000	2000-2001	Total	1998-99	1999-2000	2000-2001	Total
(a) Field Channels	950.00**	426.92	319.00	401.12	322.75	223.00	91.03	190.00	223.00
(b) Filed Drain	100.00	78.82	28.00	105.55	64.76	22.00	114.96	20.00	22.00
(c) Warabandi	3000.00	478.89	422.00	469.66	333.77	715.00	32.36	600.00	715.00
(d) Land Levelling	*	15.42	11.00	29.26		22.56	30.00	30.00	0.00
(e) Reclamation of Waterlogged Areas	60.00	0.00	0.00	0.00		0.00	7.00	7.00	11.67

** Targets are likely to be modified according to availability of funds as the scheme is under consideration with the Planning Commission.

* To be fixed by the States.

1.57 Water logging in irrigated areas is a serious problem and has greatly affected the productivity. The Committee, therefore, asked about the target and achievement of reclamation of Water logged area under Command Area Development (CAD) programme during 1998-99, 1999-2000 target for 2000-2001 and total target for IX Plan. The details are given below: -

"It is a fact that waterlogging has been observed in some of the irrigated commands and the same is adversely affecting the productivity in these areas. Considering the problem, reclamation of waterlogged areas has been included as a new component of CAD Programme since 01.04.1996. Ministry of Water Resources has organised two Workshops on the subject and held many training programmes to create awareness among functionaries and farmers. The Ministry has also constituted a Coordination Committee under the Chairmanship of Additional Secretary to look into the problem. A manual has also been developed to give technical input to States to identify the problem areas and take up preventive and remedial measures suitably. A total target of 60,000 ha has been kept for reclamation of waterlogged areas during the IX Plan. The efforts of the Ministry got response from the States and they have identified the schemes and posed to the Ministry for concurrence. The Ministry has given administrative approval to 129 schemes so far during 1998-99 and 1999-2000 covering an area of 39325.46 ha. The work has been taken up by the States and is likely to gain momentum to achieve the target of 60,000 ha. During IX Plan.

Minor Irrigation

1.58 Minor Irrigation basically consists of (i) ground water (ii) Surface Water. Minor Irrigation division is vested with the responsibility of policy formulation in the minor irrigation sector at the national level. The work of minor irrigation is taken up by several Department of the State Government e.g. Rural Development, Irrigation, Agriculture, Minor Irrigation, Panchayati Raj, Welfare Institutional Finance, etc. Panchayats, Co-operatives and individual farmers are also involved in this work.

1.59 Out of total irrigation potential of 89.49m ha created by the end of 8th Plan, minor irrigation accounts for 56.61 m ha i.e. 63.29% and the rest is for Major and Medium Irrigation Projects.

1.60 Improvement in minor irrigation is a thrust area in 9th Plan of Ministry of Water Resources.

1.61 The Ministry of Water Resources had projected an amount of Rs. 1163.00 crore during 9th Five Year Plan for minor Irrigation comprising Rs. 1003 crore for new schemes viz. Restoration of old tanks and other water harvesting structure and Rs. 335.00 crore for other schemes. The Planning Commission approved an outlay of Rs. 385 crore comprising 24 crores for new scheme and provision of Rs. 361 crore for other scheme.

1.62 The following are the financial outlays under Minor Irrigation during 1999-2000 and 2000-2001 .

(Rs. in crores)

Name of the Scheme	BE 1999-2000	RE 1999-2000	BE 2000-2001
Minor Irrigation	55.81	56.71	85.27

1.63 From the above-mentioned table it is seen that the budgetary allocation for Minor Irrigation during the year 1999-2000 was Rs. 55.81 crore, however, it has been increased to Rs. 85.27 crore for 2000-2001. When asked from the Ministry, which are the areas where the allocation has been increased, the Ministry stated as below: -

"The broad areas of increase in allocation for 2000-2001 areas under: -

- (i) The allocation under Hydrology Project has been enhanced for acquisition of dedicated computer hardware and software groundwater data processing (Rs. 20.00 crore)
- (ii) The allocation for the Central Sector Scheme on studies on artificial recharge of ground water has been increased (Rs. 3.00 crore)
- (iii) Allocation for expenditure on Central Ground Water Authority which has been constituted by the Government in pursuance of the orders of Supreme Court has been made (Rs. 1.20 crore).
- (iv) Increased allocation for "Works", "Machinery and Equipment" and special studies (Rs. 7.23 crore).

1.64 The total additionally for the above schemes is Rs. 31.43 crore which is offset by savings of Rs. 2.00 crore for the Centrally Sponsored Schemes which are yet to be approved by the Planning Commission and for which no funds have been provided in BE 2000-2001 against Rs. 2.00 crore in 1999-2000. No new Scheme has been included in the Minor Irrigation Sector."

Restoration of old Tank

1.65 With the total population of about 5.13 lakhs irrigation tanks (1986-87) in the country, the share tank irrigation is estimated to be about 7% of the total net irrigated area in the country. The concentration of tank irrigation is mainly in the states of Andhra Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Tamil Nadu, Uttar Pradesh and West Bengal, which accounts for 97% of the total tank population.

1.66 For restoration of old tanks an outlay of Rs. 0.10 crore has been made for the year 2000-2001. The scheme was initially not approved by Planning Commission, when the Committee enquired in this regard the Ministry stated, "As per the Parliamentary Standing Committee's recommendation, Planning Commission was approached once again in September, 1999 for approving the proposal for allocating necessary funds to the scheme during the IX Plan. Pending their approval, a token outlay of Rs. 0.10 crore has been earmarked for the year 2000-2001. But the Planning Commission did not accept the proposal citing the reasons already communicated by them during February, 1999 and June, 1999. In their recommendation, Planning Commission had stated that Government is moving towards decentralisation and co-operative federalism and for that purpose is proposing to transfer a large number of centrally sponsored schemes to the States. They had also stated that Central funds under various employment generation schemes were also available to be pooled for rehabilitation and modernisation schemes.

1.67 The Scheme for rehabilitation and modernisation of minor irrigation tanks is being recast with due emphasis on farmers' participation and will be shortly forwarded to the Planning Commission for their consideration.

CENTRAL GROUND WATER BOARD

1.68 The Central Ground Water Board, a subordinate office under the Ministry of Water Resources, is responsible for carrying out country-wide hydrogeological surveys, monitoring of ground water levels and water quality from a network of observation stations, scientific exploration of aquifers aided by drilling, studies on artificial ground water recharge and conjunctive use of surface and ground water as well as rendering advice to States and Union Territories in the development, management and regulation of ground water resources.

During the financial year Budget Estimate for 1999-2000 Central Ground Water Board was Rs. 90.28 crore, whereas, Rs. 93.22 crore was provided at the Revised Estimates stage. For the year 2000-2001 Rs. 123.96 crore has been earmarked for the purpose.

1.69 The Committee expressed concern on reports of rapid decrease in Ground Water level in many States. When enquired if the Ministry has done any survey on it and the steps taken to arrest the decline, the Ministry stated:

"The Central Ground Water Board is regularly monitoring groundwater levels through a network of 14,796 observation stations throughout the country. The water levels are monitored four times in a year during the months of January, April/May, August and November. It has been noticed that ground water levels in some parts of the country have declined at the rate of 20 centimetre per year.

1.70 The measures undertaken to arrest decline in ground water level in the country include:-
1. Implementation of a Central Sector Scheme on studies on artificial recharge of ground water in various parts of the country.

2. Circulation of a manual on artificial recharge of ground water to States/Union Territories to enable them to formulate area specific artificial recharge structures.
3. Circulation of a Model Bill to States/Union Territories to enable them to enact suitable legislation for regulation and control of ground water development.
4. Constitution of Central Ground Water Authority under the Environment (Protection) Act, 1986 for regulation and control of ground water management and development.
5. Formulation of a Centrally Sponsored Scheme to assist the States in artificial recharge of ground water.

1.71 The Ministry further informed the Committee that a Central Sector Scheme for studies on artificial recharge of groundwater is being implemented by the Central Ground Water Board at an estimated cost of Rs. 25 crore for IX Five Year Plan. This scheme is extension of the same scheme which was taken up during VIII Plan at a cost of Rs. 3.67 crore. Under the Scheme, funds are provided to States for construction of civil works for recharge structures on cost deposit basis on behalf of CGWB.

1.72 The success so far achieved under the scheme on artificial recharge of ground Water are given under:-

Recharging Structure

Summarised Results

Maharashtra:

was

Watershed WR-2 District Amravati

water levels

Percolation Tanks (3)

was 380 ha. with

Cement Plugs (10)

brought in 714 ha.

Under Ground Bhandara (5)

also increased by

Watershed TE-17 Jalgaon District

is recharged

water levels by

Percolation tank (3)

have benefited

irrigation equivalent

Conversion of village tanks into

Percolation tanks (2)

Recharge Shaft (2)

Around 3,57,000 cubic meter water

recharged resulting in rise in ground

of 1-10 m. Total Area benefited

equivalent assured irrigation

Number of Pumping hours has

2 to 4 hours.

About 5,25,000 cubic meter water

annually resulting in rise in ground

0.5 to 5.0 m. Percolation tanks

around 545 ha. providing assured

to 82 ha. areas.

Injection Tubewell (1)	
NCT, Delhi	About 1,25,000 cubic meter storm
water was	
JNU-IIT Area	recharged during 1998 resulting in
rise of water	
Check Dam (4)	levels by 4 m.
Roof Top Rain Water Harvesting System (1)	
UT Chandigarh	During 1998, 2427 cubic meter of
rain water	
CSIO Complex	was harvested.
Roof Top Rain Water Harvesting System (1)	
Karnataka Kolar District	Area benefited is 16-34 ha. from
each tank.	
Percolation tanks (2)	Watershed treatment at
Bsavapura Micro-watershed	
Watershed Treatment (2)	benefited 32 ha. area resulting in
rise of 5-10 m. in	
Recharge Well Fields (7)	ground water levels.
indicated intake rate of	Gravity recharge experiment
	4 lps.

1.73 The Committee observed that goodsuccess has been achieved with recharging structure when water level hasincreased appreciably. The Committee during evidence enquired in this regardthe Secretary stated "This is a part of the pilot scheme which we are doing on anexperimental basis. We found that the results are very encouraging . Wehave again gone to the Planning Commission and told them that we have gotvery positive results and they may sanction our main scheme."

1.74 When asked by when they expect it tobe cleared by the Planning Commission, the Secretary submitted " We are pursuing it. We hope that we will get it through withthe positive results which are coming from the pilot scheme. I think thePlanning Commission should be able to clear it now."

Ground Water Scheme

1.75 The Centrally sponsored Scheme for investigationand development of ground water resources in Eastern States was initiallyformulated at the behest of the Planning Commission in 1992 as VIII PlanScheme. Since then the scheme has been under protracted correspondencewith the Planning Commission and has been revised several times. Afterthe completion of VIII Plan, the Scheme was revised in February, 1997 forinclusion in the IX Plan. The Scheme is still awaiting approval of thePlanning Commission. During BE 1999-2000 the Ministry/Planning Commissionhad made a token provision of Rs. 2 crore. However, as the Planning Commissionhad not approved the Schemes, no provision was made at the RE stage.

1.76 When asked why no budget provision has been made for 2000-2001 the Ministry stated "As the Scheme is pending with the Planning Commission since 1992 and token provision are being made every year under the scheme which is surrendered after the end of every financial year, it is felt that this provision should not be kept until clearance of the scheme in BE 2000-2001. Budget provision will be made in RE stage if the scheme is approved."

1.77 The Committee during evidence enquired from Secretary, Ministry of Water Resources the reasons on account of which the Planning Commission has not approved the scheme, the Secretary stated:

"This is very unfortunate part that this scheme has been going on for the last eight years with the Planning Commission. We have been submitting it to the Planning Commission. They have been making certain observations and we have been complying the observations and again submitting it to them. But till date the approval of the Planning Commission has not been forthcoming. It is basically for utilising the ground water sources by shallow tubewells and some few tubewells in the eastern States. In fact, there is a similar scheme proposed by the Ministry of Agriculture. So there are two schemes before the Planning Commission one is submitted by us and another by the Ministry of Agriculture. But the objective of both the schemes is the same, that is, irrigation by shallow tubewells. We have not been able to get it approved by the Planning Commission so far."

1.78 When asked the latest communication received from the Planning Commission in this regard, the Secretary (WR) stated

"The latest communication is that they have sanctioned a similar pilot scheme for Rs. 25 crore. They have said that we should first examine the result of this recharge scheme and based on the result of this pilot scheme they will sanction the bigger scheme. That pilot scheme is going on in different States now"

Flood Control

1.79 Out of the country's total geographical areas of 328 million hectares, 40 million hectares has been assessed by Rashtriya 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.

1.80 The financial allocation for Flood Control during the years 1998-99 (Act.), 1999-2000 (BE), 1999-2000 (RE) and 2000-2001 (BE) are given below :-

(Rs. in crore)

Name of the scheme	Actuals 1998-1999	BE 1999-2000	RE 1999-2000	BE 2000-2001
Flood Control	83.26	91.70	110.03	188.77

1.81 The budgetary allocation for Flood Control has been raised substantially both at the Revised Estimates stage 1999-2000 and the Budget Estimates 2000-2001. When the Committee desired to know whether the Ministry has chalked a new strategy including some innovative flood control measures and the sectors where the allocation have been raised, the Ministry gave the

following explanation

"Flood Management is a State subject wherein flood managementschemes are executed by the States from the State Plan funds made availableto the States by the Planning Commission every year. However, Central Governmentis also concerned about the floods/erosion caused by the various rivers.Accordingly, for the most severe flood prone areas viz. Brahmaputra/BarakValley, construction of Pagladiya Project in Assam, Critical anti-erosionworks in Ganga Basin States, Flood Protection works in Kosi and GandakRivers in Nepal portion, have been proposed by this Ministry with the soleaim of providing Central Assistance to the basin States for undertakingvarious Flood Management Works including anti-erosion works of criticalnature during the IX Plan period. The reasons for drastic increase in BEfor 2000-2001 have been explained as under: -

- 1.For "Pagladiya Project" which is a Central Sector Scheme, the outlay for2000-2001 has been enhanced to Rs. 40 crores since the construction workis to be taken up during 2000-2001 (against BE 1999-2000 of Rs. 1.00 crore).
- 2.A Centrally sponsored scheme "Flood Control in Brahmaputra Valley" amountingto Rs 150 crore is in an advanced stage of approval. Accordingly, the outlayfor 2000-2001 has been enhanced to Rs. 30 crores (against BE 1999-2000of Rs. 15.00 crores)
- 3.Another centrally sponsored scheme amounting to Rs. 100 crore for "Criticalanti-erosion works in Ganga Basin States" is in an advanced stage of approval.Accordingly, the outlay for 2000-2001 has been enhanced to Rs. 23 crore(against BE 1999-2000 of Rs. 1.50 crore).

1.82 During evidence the Committee showed theirconcern on the havoc caused by rivers coming from Nepal in Bihar and WestBengal. They wanted to know the action taken by the Government in thisregard, the Secretary (WR) stated that unless big dam are constructed inNepal the solution to the problem is difficult. He informed the Committeethat there is a Pancheshwar Scheme in this regard and they have also writtento Nepal Govt. several times on Kosi River and have also suggested a jointCommittee on this issue.

1.83 The Committee also pointed out siltingof river Ganga and its tributaries whih have reduced its storage capacity.In case Kosi, Gandak and all other river the Secretary replied that therivers which are coming from North Kosi and Gandak carry a huge quantityof sediment with them which is deposited and some areas are also eroded.Only construction of storages can solve the problem."

Critical Anti Erosion Works in Ganga Basin States

1.84 Budget allocation for critical anti erosionworks in Ganga Basin States for the years 1999-2000 and 2000-2001 are givenbelow: -

(Rs. in crore)

Name of the scheme	BE 1999-2000	RE 1999-2000	BE 2000-2001
Critical anti erosion works in Ganga Basin States	1.50	0.01	23.00

1.85 From the above table it is seen that the Budget Estimates for this programme during 1999-2000 was proposed Rs. 1.50 crore however, it was reduced to Rs. 0.01 crore at the Revised Estimates stage (1999-2000). An allocation of Rs. 23.00 crore has been earmarked in 2000-2001. However, the scheme is not yet approved by Planning Commission when asked the reason for such massive allocation for the scheme which is not yet approved by Planning Commission the Ministry in their written reply stated as under:-

"An EFC memo for the proposal namely, "Critical anti-erosion works in Ganga basin States" was under protracted correspondence with Planning Commission. Recently the Planning Commission has given "In Principle Approval" for this proposal. Further revision of EFC memo and arranging meeting of EFC is under process in the Ministry. The scheme could not be taken up in 1999-2000 as the procedural formalities are yet to be completed. Efforts are being made to implement the scheme during the last two years of the Ninth Plan."

1.86 The Committee were further informed that the total cost of scheme is Rs. 100 crores to be implemented in Bihar, West Bengal and UP. The breakup of allocations is UP-20 crores, Bihar 32 crores and West Bengal 30 crores, Farakka Barrage 17.5 crore.

Flood Proofing Programme in North Bihar

1.87 Areas North of the Ganga are chronically flood affected regions of Uttar Pradesh and Bihar. The areas worst affected lie in North Bihar. These areas are traversed by numerous rivers originating from Nepal and outfalling into the Ganga. The recurring floods coupled with drainage congestion are responsible for the backwardness of the regions.

1.88 The financial allocation during the years 1998-99, 1999-2000 and 2000-2001 are given as under:-

Name of the 2000-2001 Scheme/Activity	Actuals 1998-99	BE 1998-1999	RE 1999-2000	BE
Food Proofing in North Bihar	0.86	1.00	0.50	2.00

1.89 When asked about the under utilisation of funds, the Ministry stated:-

"The implementation of the scheme is the responsibility of the State Government and this Ministry has been regularly urging the Government of Bihar to implement the schemes under this head. A total of 99 schemes at an estimated cost of Rs. 8.62 crore had been approved by the Steering Committee of Flood Proofing Programme in North Bihar. Government of Bihar has so far taken up 57 schemes of execution. Earthwork for 11 Nos. of Flood Proofing Schemes has so far been completed and for the remaining 46 Nos. of schemes the work is at various stages of completion. The assurance given by the Secretary, Water Resources Department, Government of Bihar, in the meeting taken by Secretary (WR), Government of India for completing 42 schemes by March, 1999 and other 30 schemes by June, 1999 was not fulfilled. Consequently, Secretary (WR) had written to Chief Secretary, Bihar in July 1999 requesting to ensure speedy implementation of the programme. In the recent past another letter has been sent to Secretary, Water Resources

Department, Government of Bihar about early implementation of the Flood Proofing Programme. Thus, this Ministry is making all efforts to improve utilisation of funds under this scheme.

Assistance for Flood Control Measures in the Brahmaputra Valley

1.90 Considering the complexity and magnitude of flood management problem in the Brahmaputra river system, Central Loan Assistance outside the State Plan is being provided to the Government of Assam since 1974-75 for flood management works in Brahmaputra Valley.

1.91 The financial outlay under assistance for flood control measures in the Brahmaputra Valley during 1998-99 Actual Exp., 1999-2000 BE, 1999-2000 RE and 2000-2001 are given as under
(Rs. in crore)

Name of the scheme	Actuals 1998-1999	BE 1999-2000	RE 1999-2000	BE 2000-2001
Assistance for Flood Control measures in the Brahmaputra Valley	18.00	15.00	15.00	30.00

1.92 100% more outlay as assistance for flood control measures in the Brahmaputra Valley has been substantially enhanced during the year 2000-2001. When asked from the Ministry about the new measures which will be intimated with the increased allocation under this scheme, the Ministry in their reply stated as follows :-

"The Central Loan Assistance is being provided to the Government of Assam since 1974-75 to execute short term Flood Control and anti-erosion measures in Brahmaputra and Barak Valley. So far upto march, 2000, Rs.390.94 crore as loan and Rs. 10.09 crore as grant have been provided.

1.93 A proposal has been mooted, costing Rs. 150 crore during IX Plan which envisages taking up short term Flood Control and anti-erosion measures in Brahmaputra and Barak Valley, covering all the North Eastern States, as well as West Bengal (North Bengal). The proposal also includes improvement in communication network in Majuli Island (Assam) to be taken up by the government of Assam. Planning Commission has recently conveyed "In Principle Approval" to the above proposal with funding pattern 75% Central Grant and 25% as State share. An outlay of Rs. 30 crore has been provided for 2000-2001 for this purpose."

1.94 When asked to give the details about the amount spent so far out of the allocation of Rs. 15.00 crore during the year 1999-2000. The details are given as under :-

"Loan assistance of Rs. 15 crore has been released to the Government of Assam in two equal installments of Rs. 7.50 crore each during July, 1999 and February, 2000. The Government of Assam has taken up short term Flood Control measures in Brahmaputra and Barak Valley with this amount."

Flood Proofing Programme in States other than North Bihar

1.95 The Government had decided to expand Central assistance to the States other than North Bihar during IX plan to take up flood proofing works in the affected areas. This is a new scheme and a budget provision of Rs. 1.00 crore was available during the year 1999-2000. Outlay for the scheme during 2000-2001 is Rs. 0.10 crore.

1.96 This scheme is yet to take off as Planning Commission is yet to give its approval for the scheme. When asked about its latest position and reasons for delay, the Ministry gave the following explanations

"This is a new scheme in the Ninth Plan. The scheme could not be taken up for processing during 1997-98 since IX Plan was not approved in that year. After approval of IX Plan the SFC Memo for the scheme was sent to Planning Commission returned the proposal commenting that they were not able to support the proposal for the following reasons :-

1. The proposed scheme appears to be open ended.
2. National Calamity relief fund provides a mechanism for both resource and programme for state to link up all situations as proposed in the instant proposal. Besides other funding sources like "Centrally sponsored Rural Development Schemes" and "Employment Assurance Schemes" are also available to take up various flood proofing works within the scope of each of these centrally sponsored schemes.
3. The proposed flood proofing works are not such capital intensive which may require central financial assistance as proposed. Since all these works are small and site specific they can be carried out by panchayat also.

1.97 In response to the above, this Ministry approached the Ministry of Rural Development for their comments. However, there was no response from Ministry of Rural Development. Subsequently, this Ministry has reverted back to Planning Commission for considering the proposal to be undertaken by the Ministry of Water Resources. Further advice from the Planning Commission, in this regard, is still awaited.

NATIONAL WATER DEVELOPMENT AGENCY (NWDA)

1.98 National Water Development Agency (NWDA) was established in July, 1982 as a registered Society under the Societies Registration Act, 1860, to carry out the water balance and other related studies on a scientific & realistic basis for optimum utilisation of Water Resources of the country for preparation of feasibility reports of Water transfer links under National perspective plan.

1.99 The financial outlays for National Water Development Agency for 1998-99, 1999-2000 and 2000-2001 are given as under:

(Rs. in crore)

Name of the Scheme/Activity	Actual Plans 1998-99	BE 1999-2000	RE 1999-2000	BE 2000-2001
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National Water Development Agency	12.00	10.00	12.00	12.50
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1.100 The financial outlay of Rs. 2.00 crore was increased under this scheme at RE stage 1999-2000, when asked for the reasons, the Ministry stated that National Water Development Agency (NWDA) has been entrusted with the task of conducting studies concerning the National Perspective Plan which comprises of two components viz. (i) Peninsular Rivers Development and (ii) Himalayan Rivers Development.

1.101 National Water Development Agency has completed all the pre-feasibility studies of various links under Peninsular and Himalayan Rivers Development components by the end of VIII Plan (1997). The Pre-feasibility Reports (PFRs) were prepared on the basis of water balance studies, topographic studies of storages and the link alignments. Now, the activity of NWDA has shifted to undertaking the Survey & Investigation of the various links schemes for preparation of the feasibility reports.

1.102 For completing the feasibility reports, NWDA is required to undertake various types of Surveys & Investigations. While the topographical surveys of the links are being done by the NWDA staff, the expertise and facilities available with other departments are being utilised for other surveys. The works from these agencies/departments are got done on consultancy basis.

1.103 National Commission for Integrated Water Resources Development Plan was set up by the Ministry of Water Resources during September, 1996 for the preparation of an Integrated Water Plan for development of water resources for drinking, irrigation, industrial, flood control and other uses and to suggest modalities for transfer of surplus water to water deficit basins by inter-linking of rivers etc. Director-General, N.W.D.A. was the Member-Secretary of the National Commission. The secretarial services to the National Commission were being provided by the N.W.D.A. The National Commission has completed its work on 30th September, 1999 and has submitted its report to the Government in December, 1999. The revised estimate of Rs. 12.00 crore for the year 1999-2000 includes the expenditure of National Commission viz. Printing of Reports of the Main Commission, its Working Groups and Sub-Groups, printing of Maps etc.

1.104 When asked the no. of water balance studies and feasibility studies (i) to be undertaken by NWDA; and (ii) that have been completed so far. The Ministry in their written reply stated: The studies being carried out in NWDA are the continuation of the proposal under National Perspective Plan. The quantum of work involved and the progress achieved in respect of Peninsular and Himalayan Component is given below.

A. Peninsular Component

Item	Total Work	Achievement (as on date)
Water Balance Studies of	137	137
1. Basins/Sub-basins	49	52 (including 3 addl. Studies)
2. Diversion points		

Toposheet Studies	58	58
1.Reservoir Storage Sites	17	18 (including 1 addl. Study)
2.Link Alignment		
Pre-feasibility Reports of Links	17	17
Survey & Investigations for feasibility reports	16	13 (5 completed, 8 in progress)

B. Himalayan Component

Water Balance Studies at diversion points	19	19
Toposheet Studies	16	16
1.Reservoir Storage Sites	19	19
2.Link Alignment		
Pre-feasibility Reports of Links	14	14
Survey & Investigations for feasibility reports	14	7 (in progress)

1.105 List of the inter-basin transfer links under peninsular and Himalayan Rivers Development Components for which feasibility reports are to be prepared by NWDA.

1.106 The feasibility reports of 5 links under the Peninsular Component have also been completed. In addition to this, presently the Survey & Investigations for preparation of Feasibility Reports of 8 links under the Peninsular Component and 7 links under the Himalayan component are under progress.

1.107 The Committee further asked when are feasibility studies of Water Transfer links under National Perspective Plan is likely to be completed. The Ministry stated that the feasibility studies of water transfer links under National Perspective Plan are likely to be completed by NWDA in a period of about 10 years.

1.108 During evidence Secretary (Water Resources) in this connection inter-alia stated "The main problem will be after the feasibility reports, States will have to come to an agreement because Inter-State issues are involved. That is the next phase. Then only implementation will be possible. But these schemes are long term plans for Water Resources Department. We expect by 2025 some schemes will be ready and between 2025 and 2050 we hope that all these schemes will be implemented."**Renuka Dam and Kishau Projects**

1.109 The Committee had found the MOU regarding allocation of surface flow of Yamuna between UP, Haryana, Rajasthan, Himachal Pradesh and national Capital Territory of Delhi was signed by their Chief Ministers on 12.5.94 and subsequently agreement between HP, UP, Haryana and Delhi on the construction of Renuka Dam Project and agreement between UP, Haryana, and Delhi on construction of Kishau Dam Project was signed by their Chief Ministers on

6.11.94 and 2.9.94 respectively. The two projects had, however, not taken off due to the hesitation of the State of Rajasthan to sign these agreements since it wants a share in the Hydropower generated from these two projects. The Committee desired to know the latest position of these two projects, the Ministry stated:-

Renuka Dam

"The Renuka Dam Project estimated to cost Rs. 1224.64 crore at May, 1997 price level was considered in the 72nd meeting of the Technical Advisory Committee on Irrigation, Flood Control and Multipurpose Projects held on 18.01.2000. After deliberations, the Project was found acceptable from Techno-economic angle subject to following conditions:

1. Government of Delhi and Himachal Pradesh would decide the sharing of the cost bilaterally.
2. Environment and Forest clearance should be obtained from Ministry of Environment and Forest. Necessary action for de-notification of the wild life sanctuary area should also be taken as per the requirements of the Environment Protection Act.
3. Clearance of R&R Plan for tribal population should also be obtained from the Ministry of Social Justice and Empowerment.

Kishau Dam Project

The Kishau Dam Project was considered in the 72nd meeting of the Technical Advisory Committee on Irrigation, Flood Control and Multipurpose Projects held on 18.01.2000. Though it was felt that the project is technically feasible, it was decided by the TAC that economic viability of the project was required to be established after apportionment of project cost among irrigation, water and power supply components. The Project was deferred for consideration with the following directions :-

1. Copy of DPR and TAC notes should be sent to concerned co-basin States for their views.
2. Economic viability of the project should be established after doing apportionment of the cost among irrigation, power and water supply components.
3. Area proposed to be irrigated under the project should be identified by the State Government and details along with cropping pattern, BC ratio computations should be furnished to Central Water Commission.
4. Hydro-potential study may be got done by the Central Electricity Authority (CEA)
5. Parallel action for forest clearance and environment clearance should be taken by the State Government of Uttar Pradesh in co-operation with Govt. of Himachal Pradesh.

National Projects Construction Corporation Limited

1.110 National Projects Construction Corporation Limited (NPCC Ltd.) was incorporated in 1957 under the Companies Act, 1956 for taking up the construction of River Valley Projects and other activities. At present, it has 112 units out of which 72 are working Units and remaining 40 are non-working Units. The major operating units having work orders worth Rs. 10 crore and have are Bakreshwar Dam, Purulia Tunnel, KMCL, Khuga Dam, Doliathabi, College of Fisheries, Sharda Sahayak Canal, NTPC Unchahar, Jobat Dam, Trivendrum Sewerage System Works, etc.

1.111 The Company performed well during the first 10 years of its operation and declared dividend on paid up capital continuously till 1966-67 except in the year 1962-63. Thereafter it has undergone ups and downs. The Company incurred heavy losses during the next 5 years. From 1972-73 to 1984-85 NPCC made marginal profits. Since 1985-86 the position of the Company has

been deteriorating and the Company's net-worth became negative in 1989-90. The company's accumulated losses upto March, 1999 were Rs. 310.62 crore. The main reasons of its sickness are, continuous losses, negative net-worth, reinstatement of 950 retrenched workmen in 1991 surplus manpower, high interest cost on loans, fall in bagging of works and consequent low turnover, poor realisation of dues from clients slow down on marketing activities due to phased closure decision of the Government in 1993 and less tendering on account of Bank Guarantee Limit.

1.112 Following the guidelines of Department of Public Enterprises, this Ministry has prepared a Cabinet Note on future course of action about the Corporation based on the report of M/s. Batliboi Company. The Cabinet Note containing inter alia various options viz. Revival, Closure (IMMEDIATE/PHASED) was submitted to the Cabinet Secretariat in April, 1999 for consideration of CCEA. The Cabinet Secretariat returned the Note with the directions that the Cabinet Note containing specific proposal i.e. either revival or closure may be submitted. Accordingly, the Cabinet Note containing specific proposal of revival of M/s NPCC Ltd. was sent to Prime Minister's Office in June, 1999 for approval of Hon'ble Prime Minister in his capacity as Minister-in-Charge of Water Resources. Prime Minister's Office has desired that the revival plan suggested by M/s Batliboi and Co. may be got evaluated by ICICI/IDBI. ICICI has refused to evaluate the revival plan whereas IDBI has agreed to do the same. Discussions are in progress with M/s. IDBI for evaluation of revival plan submitted by M/s Batliboi & Co.

1.113 The Budgetary allocation for National Project Construction Corporation during the years 1998-99 actual expenditure 1999-2000 BE, 1999 RE and 2000-2001 BE are given below :-

(Rs. in crore)

Name of Scheme	Actual 1998-1999	BE 1999-2000	RE 1999-2000	BE 2000-2001
National Projects Construction Corporation Limited	2.00	2.00	2.00	1.80

1.114 The total strength of the Company is 3462. Voluntary Retirement Scheme is in vogue since 1992 to reduce the surplus manpower. 2031 employees have taken retirement under this Scheme and an amount of Rs. 37.25 crore has been utilised.

1.115 The Committee enquired whether any final decision has been taken in regard to closure/revival of National Project Construction Corporation (NPCC). The Ministry in their reply stated :-

"A proposal in future course of action about National Project Construction Corporation Limited (NPCC) was finalised by this Ministry containing four options namely (i) Closure (immediate or in phased manner); (ii) Privatisation ; (iii) Management contract for reforms; and (iv) Revival.

1.116 However, after examining all the above options, Ministry of Water Resources decided for revival of National Projects Construction Corporation Limited. Accordingly, NPCC Limited has been directed to get the Revival Plan as suggested by M/s. Batliboi & Co. evaluated Industrial

Development of Bank India (IDBI). Final revival of NPCC Limited is, however, linked with many factors such as its potentiality to revive, reduction in surplus manpower, improvement in work orders position and availability of funds etc."

Transport Sector

1.117 The Farakka Barrage Project was started in 1962 at an estimated cost of Rs. 68.59 crore. The second revised estimate of Rs, 207.45 crore was approved by the Government in June, 1987. On completion of major works of the project, some residual works remained after 1992. To complete the residual works, a fresh EFC Memo amounting to Rs. 13.94 crore has been approved by the Expenditure Finance Committee. Besides, for taking up Special Protection works for Farakka Barrage, Feeder Canal and Jangipur Barrage, EFC has approved proposals for Rs. 72.36 crore. Another scheme 'Special Repair Works of the existing assets/structures of Farakka Barrage Project for the IX plan period amounting to Rs. 19.68 crore has been approved in June, 1999.

1.118 The following Residual Works and Special Protection Works are under progress:-

Residual Works

1. Balance works of Road Bridge across the Feeder Canal at RD 29.50.
2. Renovation of drainage/water supply/building of Farakka Township.
3. Balance works related to Jangipur Lock Gate.
4. Erection of gates for Kalindri Lock.
5. Protection works down stream of Farakka Barrage on right bank of the river Ganga.
6. Fixing of lifting arrangement in the control tower building at Farakka Navigation Lock.

Special Protection Works

1. Protection works of the apron on upstream and downstream of the Barrage.
2. Repair/rectification of main barrage gates and fish lock gates etc.
3. Restoration of bank slopes and banks in feeder canal in scoured location (including Bagmari Syphon, bridge etc.)
4. Special repair of gates and hoists of Jangipur Barrage and Jangipur Lock, inlets, syphon, etc. along Feeder Canal.
5. Special repairs to the feeder canal embankment and road including drainage.

1.119 The Financial allocation and actual expenditure incurred during the years 1998-99, 1999-2000 and 2000-2001 are given as under

(Rs. in crore)

Name of the Scheme/Activity	Actual 1998-99		BE 1999-2000		RE 1999-2000		BE 2000-2001	
	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
Farakka Barrage Project	20.24	18.49	20.00	19.50	20.50	20.32	21.50	21.39

1.120 The Farakka Barrage Project is facing erosion problem by Ganga in districts of Malda and Murshidabad. An Expert Committee had recommended undertaking short-term measures costing Rs. 315 crore. The budgetary allocation for Farakka Barrage Project for the year 2000-2001 the Government have increased very slightly. When asked, the Ministry in their reply stated as under :- " The budget estimate for the year 1999-2000 was Rs. 20 crore. This has been raised to Rs. 21.50 crore for the year 2000-2001. This amount of Rs. 21.50 crore will be utilised towards balance works of road bridge across feeder canal at RD 20.50, renovation of drainage/water supply/building of Farakka township, balance works related to Jangipur Lock Gate, erection of gates for Kalandri Lock, protection works downstream of Farakka Barrage on right bank of the river Ganga and fixing of lifting arrangements in the control tower building at Farakka Navigation Lock. Further, special protection works of the apron on upstream and downstream of the Barrage, repair/rectification of main Barrage Gates and Fish Lock Gates etc., restoration of bank slopes and banks in feeder canal in scoured location (including Bagmari syphon, bridge etc.), Special repair of gates and hoists of Jangipur Barrage and Jangipur Lock, inlets, syphon, etc. along feeder canal, special repairs to the feeder canal embankment and road including drainage and dredging in-lock channel and feeder canal will be undertaken.

1.121 A proposal titled "Critical Anti-erosion Schemes" in Ganga Basin States costing Rs. 100 crore in IX Plan has been examined and "In Principle Approval" has been accorded by Planning Commission in February, 2000.

1.122 This proposal envisages anti-erosion measures to be taken up along the critical reaches in river Ganga in Uttar Pradesh, Bihar and West Bengal.

1.123 The funding pattern in this proposal will be 75% Central Grant and 25% State Share except in case of the Farakka Barrage Project Authority who will implement measures, costing Rs. 17.50 crore within 100% Central Grant.

1.124 The following allocation made by the Planning Commission for both the Central and the States component for undertaking the scheme during the year 1999-2000 and the proposed amount for the year 2000-2001 is given as under :-

"State Government has got Additional Central Assistance (ACA) of Rs. 30 crore from Planning Commission during 1998-99 for taking up anti-erosion measures of river Ganga in the vicinity of Farakka Barrage. State Government has requested Planning Commission Additional Central Assistance (ACA) during 1999-2000 also for the same purpose and Ministry of Water Resources has supported the States case.

PART II

RECOMMENDATIONS/OBSERVATIONS

Recommendation No :1

Less Allocations for 2000-2001

The Committee note that the plan budget allocation for the M/o Water Resources for (2000-2001) has been increased to Rs. 475.42 crores as compared to allocation of Rs. 370 crore made in the BE (1999-2000). Though it represents 22% increase over the allocation for 1999-2000,

the allocation of BE (2000-2001) is less than the minimum allocation of Rs.582 crore proposed by the Ministry in the Annual Plan.

The Committee are perturbed to note though there has been substantial increase in allocation for Minor Irrigation and Flood Control Sector, the Plan budget allocations of important sectors like Major & Medium Irrigation Project, and Command Area Development programme have been reduced to Rs.50.60 crores and Rs. 159.98 crores as compared to Rs. 52.51 crore and Rs. 177.00 crore provided in BE (1999-2000).

The Committee wish to point out that these sectors are very important as they have a major role in creation and effective utilisation of irrigation potential which is one of the major inputs for agriculture production. The objective fixed in the National Agenda by the Government to double the foodgrains production in the country in the next ten years cannot be achieved without the development of irrigation potential. In this context, the Committee take a very serious view of these reduced allocations under the above mentioned schemes.

The Committee, therefore, strongly recommend to the Planning Commission and the Ministry of Finance that they should increase the Plan outlay at Revised Estimate Stage for the Ministry of Water Resources to Rs.582 crore as originally proposed by them.

Recommendation No : 2

Budgetary Allocation for North Eastern States

The Committee are happy to note that out of the total plan outlay of Rs.475.42 crore for the year 2000-2001, the Ministry has earmarked an allocation of Rs.91.90 crore for the various schemes in the North-Eastern region. This allocation is almost 19.33% of the total plan allocations for the year 2000-2001. The Committee note that the Government propose to implement three new projects in Flood Control Sector viz. (i) Pagladia Project in Assam, (ii) Flood Control Waters in Brahmaputra Valley, and (iii) Brahmaputra Board for North East. The total allocation for those project comes to Rs. 85.50 crore. They are, however, constrained to note that these schemes have not yet been finally cleared by the Planning Commission.

The Committee recommend that the Ministry should pursue vigorously with the Planning Commission for an early clearance of these important schemes, so that the schemes could be taken up urgently. They also desire that funds allocated for North Eastern States should be fully utilized and the three new projects to be taken up are completed within the stipulated period of time.

Recommendation No : 3

National Water Policy

The Committee are unhappy to note that the draft revised National Water Policy which was finalised by National Water Board on 29.10.98, has still not been placed before National Water Resources Council for consideration and adoption. The Committee were earlier informed that the meeting in this regard was scheduled to be held on 3rd April, 2000. Now, the Secretary Water Resources informed the Committee during evidence that the meeting was being postponed due to some administrative reasons. The Committee are very much concerned about the delay in the finalisation of the National Water Policy, as the existing policy is not able to address fully to the new challenges that the country is facing in the sector.

The Committee, therefore, strongly recommend that the Ministry should finalise the Draft National Water Policy without any further delay so as to have a consolidated and sustainable development of our water resources and also to settle water related disputes of the States promptly and amicably.

Recommendation No. 4

Poor Utilization of Overseas Assistance

The Committee are dismayed to find the poor utilisation of funds in many projects undertaken by the Ministry with overseas assistance. In two overseas assisted projects like, Kerala Minor Irrigation Project and Community Irrigation Project, proposed to be completed in 2000, the fund utilisation is found to be only between 24 to 28 %. The two projects proposed to be undertaken with French assistance in Gujarat and Manipur have also not made any headway. Likewise in case of some projects which were to be completed in 1999, the fund utilisation was around 80%. The Committee are unhappy at the low utilisation of assistance and recommend that the Ministry should take up the matter with State Govts. vigorously to ensure that funds are fully utilised within stipulated period of time. In this connection, they also desire that the Ministry should give technical and any other assistance possible to States in implementing the projects.

Recommendation No : 5

Hydrology Project

The Committee note that the Hydrology project is being implemented with World Bank assistance under a credit agreement with Government of India. The total cost of this project is estimated at US\$ 180.9 million. This is a six year project which will come to an end on 31st March, 2002 and four years have already elapsed since this project was started. The Committee have been informed that almost 43% expenditure has already been incurred from the cost base and along with that the Ministry has sorted out all the initial problems. The Secretary (Water Resources) during evidence has assured the Committee that they would be able to utilise these funds in next two years fully as the whole project was fully geared up. The Committee are happy to note that the works on the projects have been speeded up on account of better monitoring by the Ministry.

The Committee, however, recommend that since two years are left for completion of the project and 57 per cent funds are still to be utilised, the Ministry should further intensify the pace of the project by intensively monitoring on the project at every stage. At the same time, in case some delay is anticipated in completion of the project on schedule they should pursue with World Bank for extension of the Project.

Recommendation No. 6

Research Work under Major and Medium Irrigation

The Committee are distressed to note that for research work under Major and Medium Irrigation, against an outlay of Rs. 4.30 crore proposed by the Ministry only Rs. 1.70 crore has been provided

in budget outlay for 2000-2001. This is even less than Rs. 2.70 crore provided in BE (1999-2000)

The Committee have been informed that during 1999 several changes have been made to improve the implementation of R&D programme. A new concept of invited research is envisaged where R&D proposals will be invited by the Ministry of Water Resources on topics of immediate importance. The Committee commend the new concept and desire that concerted efforts should be made to get more work under the R&D programme. The Committee, therefore, strongly recommend that the Ministry should take up the matter with the Planning Commission for providing more funds for this scheme as demanded by them so that more R&D works as envisaged by the new concept are taken up. They also desire the Ministry to take up research work on Saline water.

The Committee further find that the Ministry is providing various types of training facilities for their service engineers at the Central as well as State level. The Committee desire that regular refresher courses should be conducted for these engineers so as to acquaint them with the new techniques on the water resource field.

Recommendation No. 7

Swaranrekha Chandil Project

The Committee note that Swaranrekha Chandil Project pending from 15-20 years is a multistate project between Bihar, West Bengal and Orissa with main dam in Bihar. They have been informed that the Project has been left incomplete as gate work has to be done for which Bihar Govt. has to take forest clearance. Despite writing to them several times, Bihar Govt. has not taken the requisite clearance. The Committee take a very serious note of the fact that due to mere administrative reasons the project, where huge amount of money has been spent is allowed to hang fire for so many years. The Committee, therefore, strongly recommend that the Ministry should take up the matter with the Bihar Govt. at the highest level and also expedite clearance from Planning Commission so that the dam is operationalised urgently.

Recommendation No : 8

Accelerated Irrigation Benefit Programme (AIBP)

The Committee note with concern that at present there are 162 major, 240 medium and 74 ERM (Extension, Renovation and Modernisation) on-going irrigation projects in the country at various stages of construction at the end of VIII plan with spillover cost of Rs. 79,321.39 crore. Out of these total projects some projects are going on for the past 30 to 35 years which were started during second and third plan period. The Committee find that the Accelerated Irrigation Benefit Programme (AIBP) started in 1996-97 to accelerate these

projects have been able to complete only 7 projects out of 80 projects included under the scheme although almost Rs.3959.07 crores have already been utilised upto 15th March, 2000. The Committee note that the additional irrigation potential created through components of projects covered under AIBP is only 5,79,834 ha against the ultimate irrigation potential of 1,38,22,808 ha of projects covered under the programme. The Committee are not satisfied with the slow pace of work and recommend that an evaluation of results achieved in the project be done to find out the shortcomings in the programme.

The Committee are very unhappy to find that the Plan budget estimates for 1999-2000, which were pegged at Rs.1600.00 crore, had been scaled down to Rs.1400 crore at the revised estimates stage by Ministry of Finance without even consulting the Ministry of Water Resources. The Committee express their strong disapproval that funds approved by Parliament for an important scheme have been unilaterally reduced by Ministry of Finance without assigning any tangible reasons. As the funds for the AIBP Scheme are provided in the budget of the Ministry of Finance, the Committee, recommend that the Ministry of Finance with the recommendation of Ministry of Water Resources should release full funds allocated for this scheme during 1999-2000 to the States. The Committee further recommend that the funding pattern under AIBP for special category states and KBK which in 3 : 1 (Centre: State) be further relaxed so as to make it 100% grant.

Recommendation No : 9

Command Area Development (CAD)

The Committee are unhappy to note that the Plan budgetary allocation under Command Area Development Programme (CAD) has been coming down year after year. In 1998-99 allocation made was Rs. 188 crore, in 1999-2000 the allocation was slashed down to Rs. 178.00 crore, in 1999-2000 the allocation was reduced to Rs. 161.62 crore at revised estimates stage and again for 2000-2001 the allocation has been kept only Rs. 160.88 crore.

The Committee take a very serious view of this reduced release of funds to Command Area Development Programme during the abovementioned years. The primary objective of the CAD programme is to bridge the gap between irrigation potential created and utilised through increase in irrigated areas and also to increase efficient utilisation of irrigation water. The Committee find that there is still a large gap between irrigation created and utilised from Major and Medium Irrigation Projects. As against 1.56 m ha of Irrigation potential created during 1997-99, utilisation of irrigation potential was only 1.16 m.ha.

The Committee, therefore, recommend to the Planning Commission and the Ministry of Finance to increase the Plan budgetary allocation at the revised estimates stage for this scheme as originally proposed by the Ministry of Water Resources to Rs.180.00 crore. The Ministry should also accordingly raise the targets of various components of the project to be achieved during the Ninth Plan on restoration of allocation to BE amount of Rs.180 crore.

Recommendation No. 10

Minor Irrigation

The Committee are happy to find the substantial increase in allocation made for Minor Irrigation. Minor Irrigation has been rightfully given the due thrust, as it accounts for 63.29% of total irrigation. The Committee are, however, constrained to note that a scheme in Minor Irrigation viz. Restoration of old tanks has still not been approved by the Planning Commission despite the Committee's recommendations in this regard in their earlier Reports. They do not agree with the Planning Commission's reasoning that central funds under various employment generation schemes were available to be pooled for rehabilitation and modernisation schemes. The Committee wish to point out that restoration of old tanks requires mechanised handling and cannot be done manually. The Committee have also been informed that the scheme is being recast with due emphasis on farmers' participation. The Committee desire the Ministry to urgently submit the recast scheme to the Planning Commission and vigorously pursue with them for early clearance of the scheme.

Recommendation No. 11

Ground Water Recharge Scheme

The Committee note with serious concern the rapid decline in ground water level in many States. The Committee were informed that a pilot scheme on artificial recharge of ground water is being implemented in some States. The Committee are happy to note that the scheme has given very encouraging results in selected areas of Delhi, Maharashtra, Chandigarh and Karnataka where it is being implemented. In JNU/IIT Area in NCT Delhi, about 1,25,000 cubic meter storm water was recharged during 1998 resulting in a rise of water levels by 4 m. The Committee strongly recommend that in view of encouraging results achieved in pilot schemes, the Planning Commission should clear the main Centrally Sponsored scheme on artificial recharge of ground water in States expeditiously. Since ground water is declining rapidly and is causing a great alarm in many States, the Committee desire that the Planning Commission should urgently consider and clear all schemes for ground water recharge mooted by the Ministry. The Committee further desire that the pilot schemes on ground water recharge be extended to other States and UTs also.

Recommendation No. 12

Delay in Clearance of Investigation and Development of Ground Water Resources Scheme in Eastern States

The Committee are distressed to find that a Centrally Sponsored Scheme for investigation and development of ground water resources in Eastern States which was formulated at the behest of the Planning Commission in 1992 as VIII Plan scheme is pending with the Planning Commission for approval for the last eight years. The scheme aims at utilising the ground water resources by shallow tubewells in Eastern States. The Committee find that it is a very useful scheme as it would greatly benefit the farmers in that region and have a good impact on crop production. The Committee, therefore, recommend to the Planning Commission to urgently clear the scheme, which has already been inordinately delayed, so that it can be taken up for implementation during the year 2000-2001. The allocation, therefore, be made at Revised Estimate stage.

Recommendation No: 13

Flood Proofing Programme in North Bihar

The Committee are distressed to note that there has been continuous under-utilisation of funds under Flood Proofing Programme in North Bihar for the last three years. During the year 1999-

2000 an allocation of Rs.1.00crore was made for this scheme, which was reduced to Rs.50.00 Lakh at the Revised Estimate stage. Again for 2000-2001 the Ministry has earmarked Rs.2.00 crore. The Committee have been informed that there will be no expenditure for 1999-2000, since an amount of Rs.0.75 crore is already lying as advance with the Government of Bihar for undertaking these works. The Committee have also been informed that a total 99 schemes at an estimated cost of Rs.8.62 crore had been approved by the Steering Committee of the floodproofing programme in North Bihar. The Government of Bihar have so far taken up 57 schemes for execution, out of that only 11 schemes have been completed and remaining 47 are in various stages of completion. The Committee, therefore, recommend the Central Ministry to take up the matter with the Bihar Govt. to bring the prudent change in the implementation machinery of this important programme, so that the utilisation of funds as well as completion of these schemes can be speeded up.

Recommendation No. 14

Floods in rivers coming from Nepal

The Committee are informed that rivers coming from Nepal are creating floods in Bihar, West Bengal and Eastern U.P. thereby damaging crops, land and other infrastructure. These States incur heavy losses, which are not compensated by the Centre. The Secretary (WR) during evidence stated that only solution of the problem is building reservoirs in Nepal, and they have taken up the matter with the Nepal Govt. a number of times. The Committee recommend that the Govt. should take up this matter with the Nepal Government at the highest level and find a solution to the problem at the earliest. The Committee further recommend the Ministry to propose projects for Flood Control in the region and place it before the Planning Commission for necessary funding.

Recommendation No: 15

Desilting of Old Rivers and Strengthening of Bunds

The Committee note with concern that due to silting of Ganga and its tributaries the capacity of the Ganges to carry floodwater to Bay of Bengal has been reduced with the result an area of North Bihar and West Bengal remain under water during October and November.

The Committee are of the view that this problem can be solved by desilting by dredging of the river. In this connection, they wish to draw attention of the Ministry to the desilting done in the Cauvery Basin in Tamil Nadu in the last two years, which has reduced the volume of floods.

The Committee, therefore, recommend that a scheme for desilting old rivers and strengthening of bunds should be chalked out by the Ministry and forward it to the Planning Commission for necessary approval and funding.

Recommendation No. 16

Critical Anti Erosion Works in Ganga Basin States

The Committee are happy to note that the scheme Critical Anti Erosion Works in Ganga Basin State has finally been given in principal approval by Planning Commission and is expected to be launched in 2000-2001. The Committee desire the Ministry to vigorously pursue with Planning Commission for all administrative clearances of the scheme so that it could be implemented in the first trimester of the financial year. The Committee further desire the Ministry to ensure that Rs. 23 crore provided in the budget are fully utilised by

the States, so that the scheme could be completed within the Ninth Plan period itself.

Recommendation No : 17

National Project Construction Corporation Ltd

The Committee are disappointed to note the continued uncertainty in regard to the fate of National Project Construction Corporation. It is a sick public sector company having 950 surplus manpower and is incurring heavy losses year after year. The Committee has time and again recommended for Revival Plan for this corporation to be implemented at the earliest. The Committee have now been informed that the NPCC Ltd. has been directed to get the Revival Plan as suggested by M/s Batliboi & Co. evaluated by IDBI. The Committee deplore the delay in taking a final decision on the fate of NPCC, as it is adversely affecting the performance of the Company. The Committee, therefore, recommend that evaluation work by IDBI be expedited and issue of revival of NPCC Ltd should be decided immediately.

Recommendation No. 18

Farakka Barrage Project

The Committee find that Farakka Barrage Project has been given a share of Rs. 17.50 crore in the Rs. 100 crore scheme of Critical Anti Erosion Works in Ganga Basin States. The Committee are of the view that erosion of left bank of Ganga in Farakka Barrage Project is a gigantic problem and the sum of Rs. 17.50 crores provided is too meagre to undertake all the anti-erosion works required in the project. They wish to point out that the Expert Committee constituted by Planning Commission had recommended undertaking of short term measures costing Rs. 315 crore and long term measures costing Rs. 612 crore for critical anti erosion work in the project. The Committee therefore, recommend that necessary allocation for anti erosion work as per the Expert Committee's Report be made to Farakka Barrage Project to meet the serious challenges of erosion.

RECOMMENDATION

DEMAND FOR CENTRAL ASSISTANCE IN FLOOD CONTROL, BANK PROTECTION AND DRAINAGE SECTOR AND ANTI-EROSION WORK OF GANGA BASIN

The State of West Bengal suffered from devastating floods in two consecutive years 1998 and 1999. In the year 1999 because of flood and consequent drainage congestion the entire State suffered very acutely. Almost all the major embankments in 16 districts 9860.00 sq. km. Was flooded and inundation of 433 sq. km. Was caused by drainage congestion. The fund requirement for flood damage restoration works in these 16 districts has been assessed to Rs. 82.00 crores.

The entire fund of flood restoration works should have been released from the National Fund for Calamity Relief. No release has, however, been made so far by the Government of India (GOI) on

this account. The State Govt. has undertaken the restoration works with loan assistance of the HUDCO. The Central Govt. should extend assistance for restoration works.

The problem of severe erosion on the river Ganga-Padma has assumed a serious proportion and, quite logically, given a national status. The State Govt. has been executing river Ganga/Padma in the districts of Malda and Murshidabad as per the recommendations of the Experts Committee constituted by the Planning Commission. Some of the schemes like dredging and construction of long spur, at 28 K.m. and 29 k.m. on upstream of the Govt. through the Farakka Barrage Project Authority. But unfortunately, no headway has been made so far. One of the important recommendations of the Committee was that the execution of the schemes in the States and Central Sector should be done in a co-ordinated manner as otherwise the desired result from executed schemes cannot be achieved. The State Govt. has so far executed schemes with aggregated value of Rs. 7.00 crores (approx.) in these districts of Malda and Murshidabad upto March, 00. Assessing the gravity of the situation of the State Government had to embark upon the execution of more schemes as per recommendations of the Experts Committee within this financial year. The aggregated value of the schemes which have already been taken up and will be taken up in the next working season will be another Rs. 46.00 crores.

The Bhagirathi-Hooghly System also faces severe erosion problem at different points affecting National Highways, Rly Tracks, historical, religious and important towns. The Bhagirathi/Hooghly and Ganga/Padma have already been declared as National Waterway No. 1. The maintenance of the navigable channel along this riverine route is the responsibility of the Central Govt. It is only logical that Govt. of India should provide adequate fund for undertaking anti-erosion measures in the districts of Malda and Murshidabad and Nadia and that of Bhagirathi-Hooghly System which covers 7 more districts, upto the Hooghly estuary.

The Govt. of India is, therefore, required to take the following steps:

1. The entire fund of Rs. 82.00 crores for flood damage restoration should be provided to the State from NFCR.
2. The schemes recommended by the Experts Committee to be undertaken by the Central Govt. should be started with right earnest in close co-ordination with State Govt.
3. Provide the entire fund for execution of anti-erosion schemes recommended by the Experts Committee in the State Sector.
4. Provide adequate fund to prevent erosion in the Bhagirathi-Hooghly System.