

**THIRTY-FOURTH REPORT**  
**MINISTRY OF WATER RESOURCES**  
**DEMANDS FOR GRANTS**  
(2002-2003)

**PART - I****CHAPTER I****DEMANDS FOR GRANTS (2002-2003) 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 manner.

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.

1.3 The demand of Ministry of Water Resources is contained in Demand No. 86 of Central Budget. A Budgetary summary of Ministry of Water Resources is given below :

Demand No. 86

(Rs. in crore)

Year	Plan	Non-Plan	Total
2000-2001(Actuals)	377.20	204.19	581.39
2001-2002(BE)	500.00	228.37	728.37
2001-2002(RE)	450.00	240.35	690.35
2002-2003(BE)	550.00	226.75	776.75

1.4 The Budget Estimates (2002-2003) is Rs. 776.75 crore comprising Plan allocation of Rs. 550.00 crore and non-plan allocation of Rs. 226.75 crore, while the budgetary allocation in (2001-2002) was Rs. 728.37 crore comprising Plan allocation of Rs. 500.00 crore and non-plan allocation of Rs. 228.37 crore.

1.5 The Plan allocation during the year 2001-2002 was earmarked at Rs.500.00 crore, however, at the Revised Estimates stage it was reduced to Rs.450.00 crore. When asked about the reasons for scaling down the allocation at Revised Estimates stage 2001-2002, the Ministry stated:-

“The budget allocation for 2001-02 at RE stage was restricted to Rs.450.00 crore in view of overall economic position and also in consideration of the likely expenditure during the remaining period of the current year in respect of approved plan schemes and unapproved/pipeline schemes for which considerably higher budget allocation was provided in the BE 2001-02.”

1.6 When asked about the impact of reduction on the overall performance/achievement of various schemes, the Ministry stated:-

“The reduction effected at the R.E. Stage has been mainly imposed on the outlay of the Command Area Development Programme. Due to curtailment of funds for CAD Programme, there would be an adverse impact on the execution of the CAD Programme. However, to the extent possible and depending on the budget provisions, expenditures incurred by the States during 2001-2002 would be reimbursed during 2002-2003.”

1.7 There has been an increase in non-plan allocation in Revised Estimates Stage (2001-2002) to Rs.240.35 crore against Budget Estimates (2001-2002) of Rs.228.35 crore. The Committee enquired about the reasons for substantial increasing at Revised Estimates stage for non-plan allocation. The Ministry in their written reply stated as follows:-

“Budget provision of Rs.228.37 crore in B.E. 2001-02 also includes provision of Rs.14.00 crore towards salary/wages of employees/workers of idle units of NPCC. As salary/wages of employees/workers were outstanding since May, 2000, Ministry of Finance provided additional provision of Rs.10.00 crore in R.E. 2001-02 for clearing outstanding dues. The Ministry of Finance also provided an amount of Rs.8.00 crore for clearing applications of employees who have sought voluntary retirement. After taking into account saving of Rs.6.02 crore (Salary Rs.3.99 crore and 10% mandatory cut Rs.2.03 crore), net additionality has been restricted to Rs.11.98 crore.”

1.8 As regards measures initiated to control the non-plan expenditure, the Ministry stated:-

“In B.E. 2002-03, Non-plan provision of Rs.226.75 crore(Net) has been kept which is less than B.E. 2001-02 as well as R.E. 2001-02. As advised by Ministry of Finance, provision has been reduced by 10% under non-salary items in B.E. 2002-03. Apart from this, proposals for filling up of vacant posts are examined critically and approval is given only for such vacant posts which are absolutely necessary. Same yardsticks are followed while examining cases for continuance of temporary posts.”

### **Ninth Plan Outlay**

1.9 The Ninth Plan Outlay as approved by Planning Commission was Rs.2291.25 crore.

1.10 The Year-wise (Plan) budget outlays, expenditure and shortfall during the IXth Plan are given as under :

(Rs. in crore)			
Year	Outlay	Expenditure	Shortfall in Expenditure
1997-1998	341.00	276.16	64.84
1998-1999	396.00	347.99	48.01
1999-2000	370.00	358.44	11.56
2000-2001	475.42	425.00	50.42
2001-2002	500.00(BE)	450.00(RE)	50.00

1.11 It may be seen that against a total outlay of Rs.2291.25 crore approved by Planning Commission for Ninth Plan. The annual allocations made for successive years add up to only Rs.2082.42 crore. As against the annual outlays there is further shortfall in expenditure to the tune of 14% of the total outlay during the Ninth Plan.

1.12 The Committee wanted to know the reasons for under-utilization of funds. The Ministry attributed the shortfall to the following:

- “(1) Late finalisation of the Ninth Plan Outlay of the Ministry (during the year 1999-2000 only) caused delay in clearing proposals of various schemes through SFC/EFC and their implementation.
- (2) Some of the Major Schemes of the Ministry like (a) Investigation for Pagladiya Dam Project, (b) Critical Anti-erosion Works in Ganga-basin States, etc were approved only in the last quarter of the year 2000-01 and as a result, hardly any expenditure could be incurred from the budgeted outlays for these schemes.”

1.13 In this connection, the Ministry further stated as under:-

“Besides number of new schemes proposals were sent to Planning Commission for their consideration and in principle approval. However, the same were not recommended by the Planning Commission. The details of the above schemes proposed to the Planning Commission are given as under;

- i Development of Human Resources and Professional expertise.
- ii Upgrading of laboratory and field-testing facilities in CSMRS.
- iii Creation of facilities for study & research in five new studies areas.
- iv Capital works for NIH & its regional centre.
- v Restoration of old tanks and other water harvesting schemes.
- vi Isotope studies for determining age, origin, recharge and causative factors in ground water.
- vii Pilot Scheme on Participatory Irrigation Management in Command Area
- viii Central Assistance to North Eastern States for Flood Control & reconstruction of infrastructure damaged by flood.
- ix Critical anti-erosion works in coastal and other than Ganga Basin States.
- x Flood Control in Brahmaputra Valley.
- xi Raising Strengthening Embankment along Kosi & Gandak.

The non-approval of the above schemes by the Planning Commission resulted in under- utilisation of Plan funds to the tune of about Rs.200 crores.

- (2) Ministry of Finance order barring expenditure on the proposed new schemes of the Ninth Plan resulted in saving of budgeted outlays for these schemes.
- (4) Due to restriction imposed by the Ministry of Finance on the Revised Plan Budget of the Ministry at the RE stage in the first two years, the expenditure tempo got constricted.”

### **Budget Outlay 2002-2003**

1.14 The detailed sector-wise proposed outlays by the Ministry to the Planning Commission and the outlays actually accepted by the Planning Commission for the Annual Plan 2002-2003 are given as under:-

(Rs. in crore)

<b>Sector</b>	<b>Proposed outlay</b>	<b>Approved Outlay</b>
1	2	3
Secretariat & Economic Services	2.02	2.02
Major & Medium Irrigation	74.86	60.80
Minor Irrigation	116.73	109.16
CAD Programmes	501.00	202.00
Flood Control	339.21	151.20
Transport Sector (FB Project)	30.00	25.43
<b>Total</b>	<b>1063.00</b>	<b>550.00</b>

1.15 When asked about the reasons for proposing a very high allocation of Rs.501.00 crore for Command Area Development Programme and Rs.339.21 for Flood Control and adverse impact on these schemes due to reduced allocations on these programme. The Ministry stated:

“Substantially high allocation of Rs.501.00 crore was proposed for CAD Programme as the scheme was proposed to be re-oriented and re-structured to include new components for correction of system deficiencies (above outlet) for reliable availability of water to the farmers before the systems are handed over to Water Users’ Association, increasing the involvement of beneficiaries by expanding the scope of Water Users’ Associations (WUA) in the construction & maintenance of OFD works, providing for linkage of field drains with intermediate & main drains for letting out surplus water, 100 % central assistance for dissemination of technical know-how among farmers and inclusion of minor irrigation projects under CAD programme. The proposed restructuring was in keeping with Finance Minister’s budget announcement for the year 2000-01, to lay thrust on participatory approach of implementation of the programme during the Tenth Plan. The reduced outlay approved for the programme would naturally affect implementation of the proposed new components, which are absolutely required to energise the programme.

The proposed outlay under the Flood Control Sector has the major share of outlay in respect of schemes namely Pagladiya Dam Project and Critical anti-erosion works in Ganga Basin States, which were started during the last year of the Ninth Five Year Plan, as a major programme of the Ministry. Besides, new schemes for taking up the centrally sponsored schemes for Flood Control in Brahmaputra and Barak Valley and Critical anti erosion works in Coastal and other than Ganga Basin States are also in the pipeline and require substantial allocation for effective implementation. The reduced outlay approved by the Planning Commission for 2002-03 would affect the implementation of the aforesaid major Flood Control/anti erosion schemes of the Ministry.”

1.16 The Committee enquired if the Plan allocation 2002-2003 are adequate to meet the requirements of various schemes which are under operation. The Ministry in their written reply stated as under:

“Most of the Plan schemes of the Ministry and its organisations are continuing in nature and are mainly relating to studies/surveys, data collection, capacity building, R&D, infrastructural development and for the Centrally Sponsored Command Area Development Programme. To meet the requirements of the on-going schemes as well as the proposed new/pipeline schemes, the Ministry proposed a higher outlay of Rs. 1063.82 crore for the year 2002-03. The reduced Plan outlay of Rs. 550.00 crore would mainly restrict the Ministry to initiate the new/pipeline schemes namely (i) Command Area Development Programme, (ii) Pagladiya Dam Project, (iii) Flood Control in Brahmaputra Valley, (iv) Critical anti-erosion works in Ganga Basin States and critical anti-erosion works in coastal and other than Ganga Basin States.”

### **Tenth Plan**

1.17 The Ministry informed in a written note that the details of new schemes proposed to be introduced during Tenth Plan period along with their stages of approval by the Planning Commission are as follows:-

#### New Schemes proposed to be introduced during Tenth Plan

(Rs. in crore )

S.No.	Name	Outlays proposed	Stage of approval
1.	Water Quality Assessment Authority	5.00	Detailed proposal yet to be submitted to the Planning Commission
2.	Dam Safety & Rehabilitation in India	5.00	- do -
3.	Setting up of Specialised Unit in H.E.Design, Pump Storage & Instrumentation	1.00	- do -
4.	IT Development at CWPRS	1.48	- do -
5.	Modernisation & upgradation facilities at CWPRS	20.00	- do -
6.	Improvement of Canal Control through modern technique	1.00	- do -
7.	Development of ground water resources and rain water harvesting in major cities	20.00	-do-
8.	Improvement of drainage & Mokama Group of Tals in Bihar	20.00	-do-
9.	Critical anti-erosion works in coastal areas and other than Ganga Basin States	30.00	-do-
10.	New Schemes for Majuli Island in Assam & construction of projects etc.	20.00	-do-
11.*	Flood Control in Brahmaputra Valley	150.00	Approval of Full Plg. Commission awaited

\* This is a continuing scheme from the Ninth Plan. Earlier financial assistance to the State Govt. was released as loan. Under new scheme the pattern of assistance is in the form of Grant –in- Aid instead of loan.

1.18 The Secretary (Water Resources) informed the Committee during evidence that they have been intimated by the Planning Commission only a day before that the Tenth Plan of the Ministry has been fixed for Rs. 3600 crore and they will work out schemes by this allocation and submit it to the Committee as well as to the Planning Commission.

**Budget Allocation for the North Eastern Region of the Country**

1.19 The total percentage of funds for North Eastern Region and total plan funds allocated under various schemes/projects during the year 2002-2003 are given as under:-

“Against the total Plan allocation of the Ministry for Annual Plan 2002-03 as Rs.550.00 crore, Rs.80.00 crore has been earmarked for developmental schemes in the North-Eastern Region, which is about 14.5% of the total approved outlay.”

1.20 The schemes/projects-wise financial allocation, actual expenditure and shortfall in utilization of funds along with its reasons during the entire Ninth Year plan from 1996-97 to 2001-2002 are given as under:

(Rs. in crore)

S. No.	Name of the Scheme	Ninth Plan outlay	Anticipated Expenditure 1997-2002	Shortfall	Reasons for shortfall	Approved outlay for 2002-03
1.	Pagladiya Dam Project	81.29	42.32	38.97	The Project got approved by the Govt. of India only in January, 2001	45.00
2.	Brahmaputra Board	81.02	75.98	5.04	Less provision in B.E.	20.00
3.	Flood control in Brahmaputra & Barak Valley	101.00	51.00	50.00	Planning Commission has not approved the Scheme and suggested to repropose the Scheme in X Plan. (No expenditure could be incurred during 2000-01 and 2001-02 against the Budget provision of Rs.30 crore and Rs.25 crore respectively).	10.00
4.	Harrange Drainage Scheme	13.40	11.82	1.58	Shortfall is negligible.	5.00
	<b>Total</b>	<b>276.71</b>	<b>181.12</b>	<b>95.59</b>		<b>80.00</b>

1.21 The Committee enquired about the efforts made by the Ministry to operationalize more schemes in North Eastern States during the Tenth Plan. The Ministry in their reply stated:-

“More schemes for Flood management works, anti-erosion schemes and some drainage schemes in North-Eastern Region at critical points along the vulnerable reaches of the river are proposed to be taken up by Brahmaputra Board in X Plan. In addition, protection of Majuli river island is also proposed during the X Plan. For this purpose a token provision of Rs.0.50 crore has been made which may sought to be enhanced later on.”

### MAJOR AND MEDIUM IRRIGATION

1.22 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.

1.23 The details (Plan) actual outlays 2000-2001, BE 2001-2002, RE 2001-2002 & BE 2002-2003 under Major and Medium Irrigation are given as under:

(Rs. in crores)

Name of Scheme	Actual 2000-2001	B.E. 2001-2002	RE 2001-2002	BE 2002-2003
Major and Medium Irrigation	39.71	55.14	49.65	59.80

1.24 When asked about the figures of target/utilization of created potential at the end of Ninth Plan, Plan-wise and the additional irrigation potential created/targeted under Major and Medium Irrigation upto the end of Ninth Five Year Plan, Plan-wise, the Ministry stated as under:

“Irrigation is a State subject. Creation/utilisation of irrigation potential will depend on the completion of different irrigation projects executed by the States, funded through the State Plans. This in turn will depend on the priority assigned by the State Governments for the irrigation sector. The Central Government plays a facilitating role in the efforts of the States and provide central assistance to the State Governments as loan for completion of ongoing major & medium irrigation projects under Accelerated Irrigation Benefits Programme, which does not form the part of the present allocation of funds under major & medium sector of the Central Plan of the Ministry.”

1.25 As regards figures, the Ministry furnished the following plan-wise position of Irrigation Potential created and utilized:-

(In million hectares)

Plan		Potential created	Potential utilized
(1)	(2)	(3)	(4)
Upto 1951(Pre-Plan)	Cumulative	9.70	9.70
I Plan (1951-56)	During	2.50	1.28
	Cumulative	12.20	10.98
II Plan (1956-61)	During	2.13	2.07
	Cumulative	14.33	13.05
III Plan (1961-66)	During	2.24	2.12
	Cumulative	16.57	15.17
Annual Plans (1966-69)	During	1.53	1.58
	Cumulative	18.10	16.75
IV Plan (1969-74)	During	2.60	1.64
	Cumulative	20.70	18.39
V Plan (1974-78)	During	4.02	2.77
	Cumulative	24.72	21.16
Annual Plans(1978-80)	During	1.89	1.48



	Cumulative	26.61	22.64
VI Plan (1980-85)	During	1.09	0.93
	Cumulative	27.70	23.57
VII Plan (1985-90)	During	2.22	1.90
	Cumulative	29.92	25.47
Annual Plans (1990-92)	During	0.82	0.85
	Cumulative	30.74	26.31
VIII Plan (1992-97)	During	2.22	2.13
	Cumulative	32.96	28.44
Annual Plans 1997-98 (Provisional)	During	0.68	0.49
	Cumulative	33.64	28.93
Annual Plan 1998-99 (Provisional)	During	0.88	0.88
	Cumulative	34.52	29.81
Annual Plan 1999-2000 (Provisional)	During	0.83	0.66
	Cumulative	35.35	30.47
IX Plan (1997-2002) – Targets	During	9.81	8.71
	Cumulative	42.77	37.15

1.26 On a query as to whether if there have been shortfall in achievement of targets fixed for the Ninth Plan, the Ministry informed as follows:-

“The Working Group on Major & Medium Irrigation Sector for the Ninth Plan had proposed a target of 9.81 M. ha. for creation of additional irrigation potential and had corresponding by recommended an outlay of Rs. 54313 crore under the State Plan. Against this, Planning Commission approved an outlay of Rs. 42629.22 crore for the Ninth Plan. The actual expenditure against the approved outlay is still less. Therefore an irrigation potential of 4.14 M. ha is expected to be created. The irrigation projects under the Major & Medium sector are planned and executed by the State Government from their own plan resources. The priorities for allocation of funds for the projects/sectors are also decided by the respective State Governments.”

1.27 When asked about the Tenth Plan targets, the Ministry stated as under:

“Irrigation projects under Major & Medium Sector are planned and executed by the respective State Governments from their own plan resources. Therefore, State Governments have to fix the physical targets. The Working Group on Major & Medium Sector for the Tenth Plan has recommended additional target of 11.4 million hectare during Tenth Plan, and accordingly has proposed an outlay of Rs. 107327 Crore (State Plan) during the Tenth Plan.”

**On-going Irrigation Projects**

1.28 A large number of river valley projects both multipurpose and irrigation are under completion and have spilled from plan to plan.

1.29 State-wise number of on-going Major and Medium Irrigation projects at the end of Eighth Plan and Ninth Plan are given below:

S.No.	Name of State	No. of Projects at the end Of Eighth Plan			No. of projects at the End of Ninth Plan		
		Major	Medium	ERM	Major	Medium	ERM
1.	Andhra Pradesh	12	19	5	14	12	8

2.	Assam	4	5	0	4	5	1
3.	Bihar	15	29	4	8	7	4
4.	Jharkhand	-	-	-	7	22	-
5.	Goa	1	1	0	1	-	-
6.	Gujarat	9	13	8	3	18	27
7.	Haryana	5	0	5	5	-	1
8.	Himachal Pradesh	1	2	0	1	2	-
9.	Jammu & Kashmir	1	8	5	-	7	5
10.	Karnataka	14	15	5	15	17	5
11.	Kerala	7	5	1	4	4	2
12.	Madhya Pradesh	24	31	4	16	10	3
13.	Chhattisgarh	-	-	-	3	7	-
14.	Maharashtra	44	85	6	45	94	6
15.	Manipur	2	2	4	2	2	4
16.	Meghalaya	0	1	0	-	1	-
17.	Nagaland	0	0	0	-	1	-
18.	Orissa	6	12	2	10	4	5
19.	Punjab	0	1	5	-	2	5
20.	Rajasthan	6	6	5	5	4	2
21.	Tamil Nadu	0	2	1	1	2	0
22.	Tripura	0	3	0	-	3	-
23.	Uttar Pradesh	17	2	6	9	1	5
24.	Uttaranchal	-	-	-	3	-	-
25.	West Bengal	3	17	6	3	17	6
	<b>Total</b>	<b>171</b>	<b>259</b>	<b>72</b>	<b>159</b>	<b>242</b>	<b>89</b>

1.29A On a query of the Committee, the Ministry informed that since independence the number of projects completed upto VIII Plan were Major – 124, Medium – 708 and upto IX Plan it is planned to complete another 25 Major & 23 Medium irrigation projects.

1.30 The Committee wanted to know the details of on-going Major and Medium Irrigation Projects that were pre Fifth Five Year Plan and reasons for their non-completion along with the percentage of financial and physical completion of these projects. The Ministry in their reply stated:

“In the beginning of the Ninth Plan there have been 44 Major and 10 Medium ongoing Irrigation Projects from the Pre Fifth Plan . Out of these nine Major Projects have almost achieved the target potential while another 4 projects have achieved 90% or above of the projected potential. As per the reports received from the State Governments 14 Pre- Fifth Plan projects are expected to be completed during the Ninth Plan. Some of the reasons for delay in completion of these projects are as under:

- (a) Thin spreading of resources- too many projects taken up by the States.
- (b) Decline in allocation to irrigation sector over successive plan
- (c) Land acquisition problem.
- (d) Rehabilitation and Resettlement Problems.”

1.30A The Ministry further informed that during the Ninth Plan 27 Major & 13 Medium Irrigation Projects have been sanctioned.

### Accelerated Irrigation Benefits Programme

1.31 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. It also covers other major and medium irrigation projects which are in advanced stage of construction and could yield irrigation benefits in next four agricultural seasons.

1.32 Only those projects are considered under the Programme which have the investment clearance of the Planning Commission. The projects which are already receiving assistance from domestic agencies such as NABARD etc. are not eligible for assistance under the Programme. However, the components of such projects, which are not covered under such assistance, are considered for inclusion under the Programme. Assistance to large projects is given for their phased completion so that benefits could start flowing early with comparatively smaller investments.

1.33 The Central Loan Assistance (CLA) to the States is released in two instalments of 50% each. The second instalment, as per latest norms, is released after the States have incurred 70% of expenditure including their share together with the CLA already released to them.

1.34 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 the Ministry of Water Resources.

1.35 The plan budgetary allocation for AIBP are given below.

Name of Scheme	(Rs.in crore)			
	Actual 2000-2001	B.E. 2001-2002	R.E. 2001-2002	B.E. 2002-2003
Accelerated Irrigation Benefit Programme	1856.20	2000.00	2000.00	2800.00

1.36 The plan budget allocation for Accelerated Irrigation Benefits Programme for 2001-2002 was at Rs.2000.00 crore, however it has been enhanced to Rs.2800.00 crore for the year 2002-2003. When asked as to whether the fund was adequate to meet the requirements of this scheme during the year 2002-2003, in reply the Ministry stated:

“The State Governments submit proposals for consideration under AIBP keeping in view the budget outlay for each project in the State Plan outlay as also the ceiling limit fixed by the Planning Commission of AIBP funds for State as a whole. The proposed allocation of Rs.2800 crore for 2002-2003 seems to be adequate.”

1.37 The total fund allocated/released under this scheme since inception and the irrigation potential created under this programme is given as under:

Year	CLA released	Potential created under AIBP
------	--------------	------------------------------

	<b>(Rs. in crores)</b>	<b>(In Th. Ha.)</b>
1996-97	500.00	79.527
1997-98	952.19	199.493
1998-99	1119.18	277.924
1999-2000	1450.477	224.776
2000-2001	1856.20	310.603
2001-2002	1998.693	NA
Total :	7876.74	1092.323

1.38 During evidence, the Secretary (Water Resources) informed the Committee that Rs. 8007 crore have been released till 31.3.2002 under AIBP for 149 projects.

1.39 The Ministry has informed that 20 projects will be completed during Ninth Plan out of 104 projects which are under AIBP Programme. The Committee enquired about the number of ongoing projects that are to be completed during the financial year 2002-2003 as well as in during the entire Tenth Plan Period and the irrigation potential anticipated on completion of these projects. The Ministry stated:

“The number of projects which would be completed during 2002-2003 as well as during entire 10<sup>th</sup> Plan period is dependent on State Governments making adequate budgetary provisions in their State Plan Outlay. Ministry of Water Resources on its part will give top priority to projects nearing completion by bringing them under Fast Track Programme under the existing Accelerated Irrigation Benefits Programme(AIBP). Secretary(WR) had taken a meeting with the State Government representatives on 11.10.2001 and 12.10.2001 to review the progress of the projects covered under AIBP. It emerged during the discussions that the State Governments may be able to complete 39 number of ongoing major/medium projects during the 10<sup>th</sup> Plan period, out of which 15 number could be completed during the year 2002-2003. It may be mentioned that with the inception of the Fast Track Programme, this number may increase further. The irrigation potential under AIBP anticipated to be created on the completion of these projects is likely to be 10.8 lakh ha.”

1.40 When asked about the special efforts which were being made to bring more projects under AIBP, the Ministry stated:

“In pursuance of the directions of the Hon’ble Prime Minister to give a fillip to the economy by giving a thrust to infrastructural development, the Ministry of Water Resources has now got approved Fast Track Programme as a component under the existing Accelerated Irrigation Benefits Programme(AIBP) to provide 100% CLA to major & medium projects which can be completed within one year (two working seasons). In addition to this, under the normal AIBP, upto 15% CLA will be provided for meeting establishment expenditure to be adjusted against the State’s share.”

1.41 The Committee wanted to know the number of projects under AIBP which were 75% or more than 75% complete and (ii) less than 75% complete and amount of AIBP fund released for these two categories during the period 1996-2001. In reply, the Ministry stated as under:

“58 Nos. ongoing major/medium irrigation projects under AIBP have incurred more than 75% of Latest Estimated Cost(LEC). The funds released to these

projects are Rs.1946.26 crores. 93 Nos. major/medium irrigation projects have incurred less than 75% LEC. The funds released to such projects under AIBP are Rs.5782.4 crores.”

1.42 The AIBP norms have been relaxed linked with revision of water user rates by the States. When asked about the details how it would help States to undertake reforms in water management, the Ministry stated:

“The AIBP has been now oriented towards economic reforms in the water sector. The States which agree to introduce reforms in a stipulated period of 5 years are eligible for funding under AIBP with relaxed norms viz. 4:1 for general category States (against 2:1) and 1:0 (i.e. 100% funding) for special category States (against 3:1). This is an incentive for the States to achieve the following reforms:

- (i) At the end of three years- Increase water rates to enable allocation of Rs.225/ha. for MI schemes and Rs.450/ha. to Major and Medium from revenue earned without subsidy.
- (ii) At the end of 5 years-Further increase in water rates to meet full O&M costs for all category of projects.”

### **Minor Irrigation**

1.43 The work of minor irrigation is taken up by several departments of the State Governments 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. The Ministry helps the State Governments in plan formulation in this sector and also in posing projects for external funding.

1.44 The financial outlays Actual 2000-2001, B.E. 2001-2002, R.E. 2001-2002 and B.E.2002-2003 under Minor Irrigation are as under:-

		<b>(Rs.in crore)</b>			
Name of Scheme	Actual 2000-2001	B.E. 2001-2002	R.E. 2001-2002	B.E. 2002-2003	
Minor Irrigation	77.71	84.58	122.18	109.16	

1.45 The plan budget outlay for Minor Irrigation during the year 2001-2002 was Rs.84.58 crore. However, the outlay was enhanced to Rs.122.18 crore at Revised Estimates stage. The budget outlay for 2002-2003 has been reduced to Rs.109.16 crore. When asked about the reasons for substantial enhanced allocation at the Revised Estimates stage during 2001-2002 and then making lesser allocation in B.E. 2002-2003. The Ministry in their reply stated:

“During the year 2001-02, budget allocation of Rs.84.58 crore was made which exceeds actuals for 2000-01 by Rs.6.87 crore. Of this, Rs. 2.07 crore was kept for 3<sup>rd</sup> Census of Minor Irrigation and balance additionality of Rs. 4.80 crore was kept for various schemes being operated by Central Ground Water Board. Provision in R.E. 2001-02 was increased from Rs.84.58 crore to Rs.122.18 crore due to increase in activities under some schemes viz., Exploration and Investigations, Artificial Recharge of Ground Water, Hydrology Project and Assistance to Drought Affected States.

Provision for Minor Irrigation schemes during 2002-03 is Rs.109.16 crore and is less as compared to R.E. 2001-02 because less provision has been kept for the scheme "Hydrology Project" which is to be completed during the year 2002-03."

1.46 The Committee wanted to know about the latest position of approval of Centrally Sponsored Scheme 'Participatory Management for Rehabilitation and Management of Minor Irrigation Projects'. The Ministry in their reply stated:

"In regard to the approval of Centrally Sponsored Scheme "Participatory Management for Rehabilitation and Management of Minor Irrigation Projects" an EFC Memo for scheme costing Rs. 760 crore had been framed and sent to Planning Commission in January 2001, for approval. The Planning Commission had intimated that allocation for the scheme would be considered only after the budget allocation for the 10<sup>th</sup> Plan are firmed up. The contents of this scheme are now being included in the proposed comprehensive Centrally sponsored scheme "COMMAND AREA DEVELOPMENT AND WATER MANAGEMENT" for the Xth Plan."

1.46A When asked why Planning Commission is taking long in clearing the Scheme, the Ministry informed that while giving comments to EFC proposal the Planning Commission intimated that 'funds have not been tied up for the scheme and it could be done only after the financial resources position for 10<sup>th</sup> Plan becomes clear.

1.47 The Committee had during previous Demands for Grants (2001-2002) recommended to formulate suitable schemes/plan on priority basis to tackle the problem of drought condition. When asked whether the Ministry has formulated any scheme in this regard. The Ministry in their reply stated:

"The Central Ground Water Board is implementing an ongoing scheme of "Assistance to Drought Affected States" under which exploratory wells are drilled in drought affected areas of the country and these are handed over to State Governments for utilization. During current financial year, the Board has prepared a Contingency Plan for drought proofing in the States of Rajasthan, Gujarat, Madhya Pradesh, Chattisgarh and Orissa under which 1415 exploratory wells are proposed to be drilled on accelerated pace. Upto 28.2.2002, 1068 exploratory wells have been drilled in these States, out of which 866 wells have been found successful and 76 wells have been handed over to the concerned States. In addition, 415 wells have been offered to the States. The wells drilled under the Contingency Plan are utilized as Sanctuary wells for utilization during a crisis period for drinking water supply."

1.48 The Committee asked about the concrete steps taken to give a boost to restoration of old irrigation system in the Tenth Plan. In their reply, the Ministry stated as under:

"To boost the restoration of old irrigation system in the 10<sup>th</sup> Plan, a component of Correction of System Deficiency and Renovation and De-silting of existing Irrigation System and Control structures is being included in the proposed Centrally sponsored scheme " COMMAND AREA DEVELOPMENT AND WATER MANAGEMENT" " for the Xth Plan."

#### **NATIONAL WATER DEVELOPMENT AGENCY**

1.49 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 and realistic basis for optimum utilization

of Water Resources of the country for preparation of feasibility reports of water transfer links under National perspective plan, which comprises two components namely, Himalayan Rivers Component and Peninsular Rivers Component. Union Minister of Water Resources is the President of the National Water Development Agency Society which is the apex body of NWDA. The Annual General Meeting of the Society is held once a year to review the programme and progress of the Agency.

1.50 The following are the financial outlays for National Water Development Agency:-  
(Rs. in crore)

Name of the Scheme/ Activity	Actuals 2000-2001		B.E. 2001-2002		R.E. 2001-2002		B.E. 2002-2003	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
National Water Development Agency	13.30	0.00	15.00	0.00	14.50	0.00	16.50	0.00

1.51 The actual plan allocation for National Water Development Agency for 2000-2001 was Rs.13.30 crore, it was enhanced to Rs.15.00 crore at Budget Estimates 2001-2002 and to Rs.16.50 crore at Budget Estimates 2002-2003.

1.52 NWDA had completed all water balance and related studies of National Perspective Plan by 1988-99. Pre-feasibility studies of 31 water transfer links of National Perspective Plan and feasibility reports of 5 water transfer links under Peninsular component of the Plan have been completed.

1.53 The feasibility reports of 3 links under Peninsular Component namely, Mahanadi-Godavari, Parbati-Kalisindh-Chambal and Cauvery (Kattalai)-Vaigai-Gundar are programmed to be completed by March, 2003. Topographical surveys for preparation of feasibility reports of the following 3 links under Peninsular Component are also scheduled to be completed during 2002-03.

1.54 R.E. for 2000-01 and sanctioned B.E. for 2001-2002 are as under:  
(Rupees in lakhs)

Sl.No.	Heads	R.E. 2000-01	B.E. SANCTIONED 2001-02
1.	Salaries(Including Bonus, Medical Assistance, L.S.& PC, Tution Fees, CPF Contribution, L.T.C. & Transport Allowance)	908.00	1000.00
2.	Travelling Expenses (Including Foreign Travel)	50.00	70.00
3.	Office Expenses	48.50	60.00
4.	Rent, Rates & Taxes	73.50	41.00
5.	Works (Including National Water Convention, NGO's Group, Seminars etc.)	155.00	191.00
6.	Repairs & Maintenance	39.00	48.00
7.	Loans & Advances		

	H.B.A.	11.50	23.00
	Others(Including Car Advance, Scooter Advance)	13.50	22.00
8.	Assets (Tools & Plant)	31.00	45.00
	<b>Total</b>	<b>1330.00</b>	<b>1500.00</b>

1.55 For B.E. 2002-03, an allocation of Rs.16.50 crore has been approved for National Water Development Agency (NWDA). In the proposed Budget of Rs.16.50 crore, Rs.1.00 crore would be required to be given to Central Water Commission as a deposit work for the survey and investigation for preparation of feasibility report of Manas-Sankosh-Teesta-Ganga link and preparation of pre-feasibility report of Jogigopa-Teesta-Farakka link as an alternative proposal to Manas-Sankosh-Teesta-Ganga link during the next financial year 2002-03.

1.56 The feasibility studies of inter-basin water transfer links are being done in large scale. The feasibility studies of 5 inter-basin water transfer links under Peninsular component have already been completed and one more link was under finalisation. The Ministry has already informed that the steps have already been taken to start discussions with concerned States Governments for one link i.e. Ken-Betwa Link. When asked about the details of discussion and the response of State Governments, the Ministry in their written reply stated:

“The mandate of NWDA is to prepare the feasibility reports of interbasin water transfer link schemes in line with proposals of National Perspective Plan. After completion of the feasibility reports, further steps involved towards implementation of the link schemes are:

- i) Negotiations and inter-state agreements amongst the concerned States to arrive at consensus regarding availability of surplus water and the quantum of surplus water to be transferred from surplus basins to deficit basins/areas.
- ii) Preparation of Detailed Project Reports (DPRs).
- iii) Techno-economic appraisal and investment clearance from Planning Commission.
- iv) Financing arrangements and mode of funding of projects.
- v) Fixing agencies & execution of projects.

Regarding Ken-Betwa link project, for which the feasibility report has already been prepared by NWDA, two meetings have been organised by NWDA at the level of Chief Engineers between the Government of U.P. and M.P. on 16.10.2000 and 11.5.2001. As a result of these meetings, consensus has been arrived at regarding the water availability (yield of river Ken at proposed Daudhan Dam site) but the consensus on water balance is yet to be arrived at which could not be finalised for want of data in respect of proposed water utilisation by M.P. & U.P. However, another meeting is proposed to be held in June, 2002 to sort out the above pending issue and to arrive at consensus.

It may be stated that the response of the above States i.e. U.P. and M.P. was positive which enabled to achieve encouraging progress in the meetings held so far for arriving at consensus regarding yield of Ken river.”



1.57 When asked as to whether the Ministry has taken initiative to start discussions with concerned State Governments on any other links, the Ministry stated:

“Discussions for other links for arriving at consensus amongst the States are yet to be started. However, such discussions are proposed to be initiated by NWDA for the following links on the lines of Ken-Betwa link in the near future:

- \* Par-Tapi-Narmada Link
- \* Damanganga-Pinjal Link
- \* Pamba-Achankovil-Vaippar Link

Two of the links viz., Netravati – Hemavathi and Bedti – Varda links fall within one State only viz. Karnataka. Discussions have been initiated with the Government of Karnataka for assigning to the NWDA the works of detailed project report preparation of these two links. It has also been decided in the Governing Body of NWDA that a committee comprising Chairman, Central Water Commission, Director-General, National Water Development Agency, Chief Engineer (Inter-State), Central Water Commission will initiate discussions with the concerned States to arrive at a consensus on taking up of the links.”

1.57A Enquired if any of inter-basin transfer links fall in drought prone areas and which when implemented will greatly benefit the people there, the Ministry informed that 2 links viz Pamba-Achankoil-Vaippar link and Krishan-Pennar benefit drought prone areas.

### **CENTRAL GROUND WATER BOARD**

1.58 The Central Ground Water Board, a subordinate office under the Ministry of Water Resources is responsible for carrying out country-wise 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.

1.59 The following are the detailed Plan budget allocation for Central Ground Water Board:-

Centre Ground Water Board	(Rs.in crore)				
	Plan 2000-2001	Actual 2000-2001	Plan BE 2001-2002	Plan RE 2001-2002	Plan BE 2002-2003
	72.78		77.57	115.18	101.16

1.60 Plan Budget Estimates for Central Ground Water Board during the year 2001-2002 was Rs.77.57 crore, but it has been enhanced to Rs.115.18 crore at Revised Estimates stage 2001-2002. When asked about the reasons for enhancing the allocation for Centre Ground Water Board, the Ministry stated:

“Central Ground Water Board outlay for 2001- 2002 was enhanced at RE stage in order to meet urgent financial liabilities on account of mainly the following scheme:-

- (i) Pilot Studies on Artificial Recharge to Ground Water
- (ii) Hydrology Project
- (iii) Investigations

The outlay under the scheme Studies of Artificial Recharge of Ground Water” was enhanced from Rs.5.00 crore to Rs.15.00 crore to complete a large number of projects which have reached advance stage of completion. This was necessitated due to attractiveness and effectiveness of Artificial ground water Recharging methods demonstrated through the scheme.

The outlay under “Hydrology Project” was enhanced from Rs.11.00 crore to Rs.32.50 crore for making payment to suppliers against delivery of Hardware and Software as per project plan.

Also the outlay for the CGWB normal scheme of “investigation” was enhanced by Rs.3.98 crore to meet the cost of three Drilling Rigs and other equipments as against provision for two Rigs made at BE stage. All three Rigs as tendered have been received and are being commissioned.”

1.61 The Plan Budget allocation for Central Ground Water Board has been reduced to Rs.101.16 crore for the year 2002-2003 as compared to Revised Estimates 2001-2002 of Rs.115.16 crore. When asked about the reasons for reducing the allocation for the year 2002-2003 as compared to Revised Estimates 2001-2002, the Ministry in their reply stated as under:

“The Plan Budget allocations for CGWB has been reduced to Rs.101.16 crore for the year 2002-03 compared to higher allocation during 2001-02 (R.E) because of Hydrology Project, where significantly higher amount (Rs.32.50 crore) was demanded for making payments to suppliers against the delivery of hardware and software during the year 2001-02. The financial commitment under the scheme for 2002-03 is Rs.7.80 crore only. As such the progress of other schemes will not be affected adversely.”

1.62 Ground Water Resources are declining rapidly year after year in many parts of the country. When asked about the specific steps taken to prevent further decline, the Ministry replied as under:

“Central Ground Water Board is monitoring the ground water level through out the country four times in a year and data on ground water level is analysed and long term decline in the levels of ground water is periodically brought out. The long-term observations made by the Central Ground Water Board have shown a situation of fall in the level of ground water in various parts of the country. Water being a State subject, it is primarily the responsibility of the concerned State Governments to plan, finance and execute schemes for augmenting water resources. Government of India is also promoting rainwater harvesting through Watershed Management Programme, artificial recharge of ground water and roof top rain water harvesting under various schemes. Various measures as initiated by the Central Government for water conservation and augmenting ground water resources are indicated below:-

1. Constitution of Central Ground Water Authority on 14<sup>th</sup> January, 1997 under the Environment (Protection) Act, 1986 for regulation and control of ground water management and development.
2. Circulation of a Model Bill to all the States/Union Territories in 1971, 1992 and 1996 to enable them to enact suitable legislation for regulation and control of ground water development.

3. Circulation of Manual on artificial recharge of ground water in 1994 to the States/Union Territories to enable them to formulate area specific artificial recharge schemes to check the declining trend in ground water levels.

Implementation of pilot Central Sector Scheme on “Studies on Artificial Recharge of Ground Water” in the country at an estimated cost of Rs. 25.00 crore. Recharging wells and rain water harvesting are integral part of this scheme. The results of the scheme have been found to be very encouraging.”

- 1.63 When the Committee pointed out that since Central Govt. has to have supportive policies to help States, the Secretary stated :

“What the hon. Member has expressed is true in the sense that the role of Government of India as far as irrigation development is concerned is of supportive type, catalyst type and advisory. You all know that Government of India, Ministry of Water Resources has circulated three times the model Bill for regulation of the ground water to the State Governments. It is up to the State Governments to enact a legislation on the lines of that model Bill. Still, there is no comprehensive legislation on the ground water regulation. I think West Bengal is the only State which has started this. You cannot do anything here. You can provide advice. You can give guidance. We have no jurisdiction so that we can pass an Act and it has to be implemented by the State Governments.”

- 1.64 The Centrally Sponsored Scheme Artificial Ground Water Recharge has not been cleared by the Planning Commission. The Committee enquired about the reservations of the Planning Commission in clearing the scheme, the Ministry in their reply stated as follows:

“The Centrally Sponsored Scheme on Assisting the States in Ground Water Recharge was sent to the Planning Commission by the Ministry of Water Resources on 10.10.1994. The Planning Commission desired to know the results of studies on artificial recharge being undertaken by the Central Ground Water Board under its pilot Central Sector Scheme. The evaluation reports of some completed studies were submitted to the Planning Commission. The Commission vide letter dated 08.03.2002, has desired that these studies should be conducted in at least 8 dark and brown blocks of the States of Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan, Tamil Nadu and Uttar Pradesh. Further action in this regard is being taken by CGWB.”

- 1.65 On being pointed that State Governments have prepared schemes for ground water recharge but the amount provided for these programmes is too meagre, the Secretary(Water Resources) submitted:

“It is very true that State Governments are finding our funds quite meagre, particularly during the Ninth Plan. The reason is that during the Ninth Plan the ground water recharge was only on a pilot basis. It was not a regular programme. You would find from our replies as submitted to this Committee that during the Tenth Plan we want to take up ground water recharge including rainwater harvesting as a regular programme. We are in correspondence with the Planning Commission to get approval for the proposal. For development of ground water resources and rainwater harvesting in major cities we have proposed Rs. 20 crore for the Tenth Plan. So, it would be a regular programme and we hope the funding problem would be eased out.”

1.66 The Ministry has approved 25 schemes under pilot scheme on recharge of ground water during 2001-02. When asked about the number of schemes received till date, state-wise and number of schemes approved, with reasons for non-approval, if any, and the allocation of Rs.30.00 crore during 2002-03 for artificial recharge of ground water was adequate to undertake all the schemes. The Ministry stated as under:

“State-wise number of schemes received and approved under the CGWB’s pilot Central Sector Scheme on Studies on Artificial Recharge to Ground Water is given below:-

Sl. No.	State	No. of schemes received	No. of schemes approved
1.	Andhra Pradesh	14	10
2.	Assam	2	1
3.	Arunachal Pradesh	3	1
4.	Bihar	6	2
5.	Delhi	18	18
6.	Goa	1	0
7.	Gujarat	4	3
8.	Haryana	8	8
9.	Himachal Pradesh	15	6
10.	Jammu & Kashmir	9	8
11.	Jharkhand	5	5
12.	Karnataka	4	2
13.	Kerala	15	13
14.	Madhya Pradesh	2	5
15.	Maharashtra	4	4
16.	Manipur	2	0
17.	Meghalaya	2	1
18.	Mizoram	1	1
19.	Nagaland	4	3
20.	Orissa	8	7
21.	Punjab	25	17
22.	Rajasthan	20	17
23.	Tamil Nadu	10	10
24.	Uttar Pradesh	11	10
25.	Uttaranchal	2	1
26.	West Bengal	7	7
27.	Chandigarh	7	7
28.	Lakshadweep	2	2
29.	Andaman & Nicobar Islands	3	3
	<b>TOTAL:</b>	<b>214</b>	<b>172</b>

Thus, 172 schemes, out of 214 schemes received by the Central Ground Water Board have been approved. The remaining 42 have not been approved as these required modification and are presently at various stages of processing.

The allocation of Rs. 30.00 crore during the year 2002-03 is considered adequate for implementing the scheme.”

1.67 The Central Ground Water Authority has issued direction to adopt roof top rain water harvesting system in Delhi and adjoining areas by 31.3.2002. When asked about the number of buildings in Delhi and adjoining areas which have roof top rain water harvesting system, the Ministry stated:

“The Central Ground Water Authority through a Public Notice have issued directions to all Residential Societies, Institutions, Schools, Hostels, Industrial Establishments and Farm Houses in notified areas of South and Southwest Districts of NCT Delhi; Municipal Corporation of Faridabad and Ballabgarh in Haryana; Municipal Corporation of Ghaziabad in Uttar Pradesh and in Gurgaon town and adjoining industrial area of Gurgaon district in Haryana for adopting rain water harvesting. As per information available with Central Ground Water Authority, Roof top Rain Water Harvesting has been done at nine places in Delhi. The CGWB has also carried out Rooftop Rainwater Harvesting experiments at IIT, Delhi and at Shram Shakti Bhavan, office building of Ministry of Water Resources under its pilot scheme of recharge to ground water.”

1.68 When asked about the penalty proposed in case of non-adherence of CGWA directions, the Ministry replied:

“Section 15 of the Environment (Protection) Act, 1986 prescribes penalties as given below:

Whoever fails to comply with or contravenes any of the provisions of this Act, or the rules made or orders or directions issued thereunder, shall, in respect of each such failure or contravention, be punishable with imprisonment for a term which may extend to five years with fine which may extend to one lakh rupees, or with both and in case the failure or contravention continues, with additional fine which may extend to five thousand rupees for every day during which such failure or contravention continues after the conviction for the first such failure or contravention.

If the failure or contravention referred to above continues beyond a period of one year after the date of conviction, the offender shall be punishable with imprisonment for a term which may extend to seven years.”

1.69 The Ministry further informed that Ministry of Urban Development vide their notification dated 28.7.2001 amended Building Bye Laws 1983, making water harvesting through storing of water run off including raw water in all new building on plots of 100 sq.m. and above mandatory in Delhi.

1.70 A number of NGOs etc. have come forward and are taking interest in conservation of rain water. At some places like Rajasthan, it has been a great success. When asked about the role of the Ministry in spreading this message to other areas/states, the Ministry stated:

“Currently the Board is implementing a pilot Central Sector Scheme on Studies on Artificial Recharge to Ground Water approved during the IX Five Year Plan. The Ministry proposes extension of the scheme during X Five year Plan in which provision for implementation through NGOs, VOs and Cooperative Groups has been made.”

1.71 The Ministry is undertaking studies in conjunctive use of surface and ground water. When enquired about the details of studies undertaken, the number of them have been completed and the action taken on the report of the studies that have been completed. The Ministry furnished the following details:

“The Central Ground Water Board under the Ministry of Water Resources has undertaken Studies on Conjunctive use of Surface and Ground Water in the following 10 Command Areas:-

1.	Indira Gandhi Nahar Pariyojana Stage-I, Rajasthan
2.	Sarda Sahayak Irrigaion project, Uttar Pradesh
3.	Tungabhadra Canal Command Area, Andhra Pradesh and Karnataka
4.	Ghataprabha Canal Command Area, Karnataka
5.	Hirakud Canal Command Area, Orissa
6.	Mahi Kadana Canal Command Area, Gujarat
7.	Nagarjuna Sagar Project, Andhra Pradesh
8.	Indira Gandhi Nahar Pariyojana Stage-II, Rajasthan
9.	Kosi Canal Command Area, Bihar
10.	Gandak Canal Command Area, Bihar

Studies in respect of first six Canal Commands mentioned above have been completed. These study reports are given to the concerned agencies/State Governments for implementation.”

1.72 Ground Water Quality is deteriorating very alarmingly. When asked about the special measures initiated to improve Ground Water Quality in the country, the Ministry in their written reply stated:

“Measures taken to mitigate the problem of ground water pollution are as follows:-

- The Central Ground Water Board monitors and assesses the status and results of ground water quality.
- The Central Government has constituted the Central Ground Water Authority under the Environment (Protection) Act, 1986. The Authority is notifying areas having ground water pollution, doing registration of ground water abstraction structures in problem areas and also organizing mass awareness programmes to educate people about the problem and its remedial technique etc. The Central Ground Water Authority gives direction to State Governments, as and when required to protect and improve ground water quality.”

#### **Command Area Development Programme**

1.73 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 234 projects covered under the programme with a culturable Command Area of 22.78 m. ha. spread over 28 States and 2 Union Territories.

1.74 The programme involves execution of on-farm development works like construction of field channels and field drains, land leveling and shaping, reclamation of waterlogged areas and conjunctive use of surface and ground water. Warabandi or the rotational system of water distribution is undertaken with a view to ensuring equitable and timely supply of water to fields. Adaptive trials, demonstrations and training of farmers are encouraged to disseminate technical know-how among the farmers for establishing cropping patterns, improved farming practices and maintaining soil health.

1.75 Under the CAD Programme, farmers are being encouraged and motivated to form Water Users’ Associations (WUAs) which would take up operation and maintenance of the system, collect irrigation charges and take up equitable water distribution. Assistance

is provided to the WUAs by giving them one-time functional grant of Rs.500.00 per hectare in the ratio of 225:225:50 to be shared by the Central Government, State Government and Farmers' Associations respectively. The Ministry has also taken initiative for creating awareness among farmers through training and organizing conferences.

1.76 The budgetary allocation under Command Area Development (CAD) during the year 2000-2001, 2001-2002 and 2002-2003 are given as under:

(Rs.in crore)

Name of the Scheme/ Activity	Actuals 2000-2001		B.E. 2001-2002		R.E. 2001-2002		B.E. 2002-2003	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Command Area Development Programme	144.95	0.00	187.19	0.00	115.53	0.00	202.00	0.00

1.77 The Plan budget outlay under Command Area Development (CAD) for the year 2001-2002 was Rs.187.19 crore, however, it has been reduced to Rs.115.53 crore at the Revised Estimates stage. When asked about the reasons for scaling down the allocation drastically and its adverse impact on overall performance/achievements of various ongoing schemes due to reduced allocation at Revised Estimates stage. The Ministry in their reply stated:

“The reduction at Revised Estimate stage from 187.19 crore to 115.53 crore was an internal adjustment for providing necessary funds for other important activities of the Ministry, such as additional requirement for CGWB (Rs.37.61 crore), Critical Anti-erosion Works for Ganga Basin States (Rs.5.77 crore), etc.

The overall curtailment of funds for CAD Programme has been minimal as the savings made in other schemes of Ministry upto Rs.33.00 crore are now being utilised for the CAD Programme, thereby reducing the gap. Further the arrears of expenditure incurred by the States during 2001-02 over and above the budgetary allocations will be reimbursed during 2002-2003.”

1.78 The Ministry had proposed an allocation of Rs.501.00 crore for Command Area Development during the year 2002-2003, but only Rs.202.00 crore has been provided. The Committee wanted to know about the reasons for asking for much higher outlay in spite of the Ministry being unable to spend allocation provided to them in earlier year. The Ministry in their reply stated as follows:

“The higher outlay for CAD Programme was asked for during 2002-2003 considering addition of new components like correction of system deficiencies above outlet, renovation of tanks and upward revision of financing pattern as proposed in the restructured Command Area Development programme for the 10<sup>th</sup> Plan. The non-addition of new components in the 10<sup>th</sup> Plan would involve reduction in spending and consequent review of the outlay.”

1.79 The participation of farmers in the water management is very important. The Ministry of Water Resources is giving thrust to it by farming Water Users Association.

So far, 39,055 WUAs covering an area of 777 m.ha have been formed in various states. Statewise details are as follows:

1.80 From the statement it may be seen that except in few states, there has been little progress made in number of water users association. When asked to explain the reason, the Ministry stated:

“The reasons for lack of progress in formation of Water Users’ Associations in the States are given below:

- (a) Provisions in the existing Irrigation Acts of many States do not explicitly and comprehensively provide for peoples’ participation in irrigation management. Many States are yet to formulate clear-cut policy guidelines for formation of WUAs and farmers participation.
- (B) Apprehensions in the mind of farmers about financial viability of WUAs, lack of technical know how and reliability of irrigation water supply.”

1.81 Asked about the concrete steps taken to encourage formation of more water users association, the Ministry furnished the following details:

“Ministry of Water Resources has taken several initiatives and policy measures to support and promote Participatory Irrigation Management (PIM) in the country. Details are given below.

- (a) The concept of PIM has been included in the National Water Policy.
- (b) Ministry of Water Resources has issued detailed guidelines for farmers’ participation in water management.
- (c) Ministry of Water Resources has issued an Approach and Concept Paper on PIM and suggested draft amendments needed in the State Irrigation Acts for implementation of PIM.
- (d) Farmers participation is encouraged through the Centrally Sponsored Command Area Development Programme, now ongoing in the country. Under this programme, a one time functional grant of Rs 500/- per ha is provided to the registered and functional Water Users’ Associations. Of this, Rs 225/- per ha is the Central share, Rs 225/- per ha is provided by the State and Rs 50/- per ha by the farmers.
- (e) Conferences at National, State and Project levels have been organized for creating awareness on Participatory Irrigation Management amongst the farmers and officials.
- (f) Ministry of Water Resources has been organizing National level training programme on PIM in various parts of the country for CAD functionaries. In addition, matching grant is also being provided to States for organizing State and project level training programmes for farmers and field functionaries.”

1.82 On the above subject, the Secretary, Ministry of Water Resources during evidence stated:



“The work that is needed to be done for efficient management of water, cannot be achieved by Governmental efforts alone. Better results are obtained when the people themselves are participating in both the management of water and in the decision making process as well. This inter alia had prompted the Ministry to promote the idea of formation of Water Users’ Associations. We are encouraging the States to form large number of Water Users’ Associations. In fact, an undertaking is being obtained from the States implementing the CAD Programme that they will form Water Users’ Associations and had over the works of maintenance of field channels etc. to the beneficiaries. As on date, more than 39.000 Water Users’ Associations have been formed in 18 different States in the country, which cover an irrigated area of 7.8 million hectares. In the proposal for Tenth Plan for the CAD programme, it has been made conditional for the States to form Water Users’ Association, who would contribute towards construction of the field channels and other on-farm development works and take them over for maintenance.”

### **Flood Control**

1.83 Out of the country’s total geographical area 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.

1.84 The Ministry, apart from overall planning and coordination of flood management activities, has been providing central loan assistance to the State of Assam for flood control works in the Brahmaputra Valley, flood proofing measures in North Bihar, for raising and strengthening of embankments along Lalbakeya, Kamla, Bagmati and Khando Rivers in Indian Portion and for critical anti-erosion works in Ganga Basin States.

1.85 The following are the budget allocations for Flood control:

(Rs. in crores)

Name of the Scheme	Actual 2000-2001	BE 2001-2002	RE 2001-2002	BE 2002-03
Flood Control	106.01	148.85	140.96	151.02

1.86 The actual expenditure for Floor Control during the year 2000-2001 was Rs.106.01 crore. At the Revised Estimates stage 2001-2002 it was made Rs.140.96 crore while, for the year 2002-2003 it has been enhanced to Rs.151.02 crore. The Committee enquired as to whether the B.E.(2002-2003) was adequate to continue all the on-going schemes, in reply the Ministry stated:

“The budget allocation for the year 2002-03 is not adequate to successfully implement following ongoing/pipeline plan schemes:

(Rs. in Crore)

S.No.	Name of Scheme	Proposed Outlay	Approved Outlay	Shortfall
1.	Pagladiya Dam Project	60.00	45.00	15.00

2.	Flood Control in Brahmaputra Valley	30.00	10.00	20.00
3.	Harrange Drainage Scheme	115.00	25.00	90.00
4.	Critical Anti-erosion works in Ganga basin States	10.00	5.00	5.00
5.	Ext. of Embankment on Lalbakeya, Kamla, Bagmati & Khando rivers	10.00	5.00	5.00
6.	Improvement of Drainage in Mokama Group of Tals in the Kiul Arohar River system in Ganga river basin	15.00	0.10	14.90
7.	Estt. and modernisation of Flood forecasting in India including inflow forecast.	7.00	3.40	3.60

1.87 The Ministry has proposed an allocation of Rs.339.21 crore for Flood Control during the year 2002-2003, but an allocation of Rs.151.02 crore has been approved. When asked about the reasons for proposing such a high allocation for 2002-2003 and the adverse impact on account of reduced allocation on the various on going/new schemes. The Ministry elaborated the reasons as under:

“The higher allocation under Flood Control Sector in the year 2002-03 is proposed to implement the schemes, namely (i) Pagladiya Dam Project (ii) Flood Control in Brahmaputra Valley, (iii) Critical Anti-erosion Works in Ganga Basin States, (iv) Critical anti erosion works in coastal and other than Ganga Basin States and (v) Schemes for Majuli Island in Assam, Dihang project, etc., which were either approved only during the last year of the IX Plan or are new/pipeline schemes expected to be approved during the year under reference. While total outlay of Rs.239.00 crore was proposed for the above schemes, the Planning Commission has approved an outlay of Rs. 82.50 crore for these schemes.”

1.88 In this connection, the Ministry further stated as under:-

“The approved allocation is not adequate to the total physical commitments under all the schemes. Certain new proposed schemes or new components under the ongoing approved schemes will not be taken up during 2002-03 in view of financial constraints. The thrust during the year will be on undertaking and completing ongoing schemes, which are at the advanced stage of completion so that the benefits from the locked up investments under the different schemes are available at the earliest.”

1.89 When asked about new schemes to be taken up during 2002-2003, the Ministry informed as follows:-

“The following new schemes are proposed to be implemented under Flood Control Sector during the Tenth Plan:

1. Flood Control in Brahmaputra Valley.

2. Critical Anti-erosion Works in coastal and other than Ganga Basin States.
3. Scheme for Majuli Island in Assam, Dihang Project etc.; and
4. Flood Proofing Programmes (proposed to be extended to States other than Bihar)”

### **Indo Nepal Water Resources Co-operation**

1.90 There is considerable scope for cooperation between India and Nepal in the field of Water Resources, particularly in the field of hydropower development, by utilizing the abundant potential of the northern tributaries of the Ganga flowing from Nepal to India. Several projects have been identified and negotiations have been going on.

1.91 The Government of India had also taken up with Nepal the undertaking of Joint Investigation of the Sapta Kosi High Dam Multipurpose Project and Sun Kosi Storage cum anti-erosion scheme. A Joint Team of Experts (JTE) of India and Nepal has been discussing these projects, which has so far held 4 meetings. A break through in talks, were achieved during the 4<sup>th</sup> meeting of the JTE held at Kathmandu in October, 2001 during which the Joint Inspection Report on the above projects has been finalized, paving the way for setting up of a Joint Project Office and taking up field investigations for preparation of the Joint Detailed Project Report.

1.92 The Committee, during evidence wanted to know from the representatives of the Ministry of Water Resources about the last meeting held with Nepal in this regard and nature of discussion taken place. The representatives of the Ministry informed the Committee:

“It was held during the hon. Prime Minister’s (of Nepal) visit here, about one or two weeks ago.

It is not that it is an academic discussion. There is a material gain also. As my colleague told, when the Nepalese Prime Minister was in our country, my Minister and our officers, including myself, had a discussion with the Nepalese Prime Minister who was assisted by the Minister of Water Resources. Secretary, Ministry of Water Resources and everybody was there. We have now overcome all these problems, as far as Pancheshwar is concerned.

The detailed project report will be ready by June 2002, which will give all details, like how sharing has to be done, investment, and things like that. All these issues will be addressed in the DPR. At that time, we will have a very clear picture. Now, we have overcome all these problems. Of course, the delay is there.

Coming to high-Kosi and Son-Kosi, the report has been accepted after 17 years. A Joint Project Office will be there to prepare the DPR. At that time, all these issues will be gone into. It is not only academic discussions, but also there is a material gain.”

1.93 As regards sharing of Water Resources with Nepal, the Chairman, Central Water Commission during evidence informed the facts to the Committee as under:-

“I am the Chairman of the Joint Group of Experts from the India side. We had a meeting with our counterpart. A meeting of the Joint Group of Experts takes place after every three months. I am happy to report that we had a very good breakthrough in the last meeting. We had a number of understandings reached between the two countries.

Before coming to that, I would like to share with you a number of issues which are actually pending. One was the power potential study, that means, what will be the total installation of the power component. In 1992, when Nepal Government submitted their DPR, they wanted 6,800 MW total installation capacity. However, this was going to affect the water availability in the India territory. This will become the highest installation of power capacity in our country; so far, we do not have such kind of installed capacity. We have to store a large quantity of water in order to generate such capacity of power. That would have affected the availability of the water in the downstream areas in U.P. Banbasa Barrage and the Lower Sarada Barrage irrigate about 18 lakh hectares in our country. Therefore, very serious studies were necessary. We should have a very appropriate power capacity to be installed there so that these areas do not get affected from the irrigation point of view. Therefore, this much of time has been taken to have appropriate installation of the capacity. I am happy to say that in the last meeting between the Experts Groups, we have come to an understanding on generating 5,600 MW of power. The agreement has to be approved by the Joint Group of Experts. That meeting is going to be held very soon. The dates are 17<sup>th</sup> April onwards, that is, this month itself. Then, I would like to share another information, that is, the Nepal Governments wants to take up a virgin territory of 93,000 hectares of land in their own area, and that will require a lot of water, a lot of investment. I want to share with you a very confidential information that they want to put all the burden of investment on account of development on India. One thing which must be taken into consideration is that Pancheshwar is going to be the first project between India and Nepal. Therefore, it is going to be a leader. All the norms, all the standards are going to be set with this project. If we agree to any of their undesirable, unwarranted demands in this project, then we are going to suffer. This will become a precedent, and we shall have to surrender our interests in other projects also. Therefore, we have to be very, very careful. That is why, we have taken so much of time. We have to be a little bit cautious and grateful, lest we may surrender the interests of the country.”

1.94 The Committee when asked about the investments, the representatives of the Ministry stated :-

“Investment is not under consideration right now. First, comes the DPR, the technical details, and the technical details are under preparation. The DPR will be ready by June 2002. This is a joint DPR, and it is not a simple matter. We have to agree on each and every point with that country. When the DPR is completed, then we will go for the alternatives as to how to fund this, whether we should go to a third party or take some World Bank loan, jointly or separately, and so on. There are a number of options.”

**Critical Anti-Erosion Works in Ganga Basin States**

1.95 The detailed financial outlays Actual 2000-2001, B.E. 2001-2002, R.E. 2001-2002 and B.E. 2002-2003 are given below:

(Rs. in crore)

Name of Scheme	Actual 2001	2002-	B.E. 2001-2002	R.E. 2001-2002	B.E. 2002-2003
Critical anti-	20.00		20.00	25.77	25.00

erosion works in Ganga Basin States				
---	--	--	--	--

1.96 The Ministry has proposed Rs.115.00 crore for critical anti-erosion works in Ganga Basin States for the year 2002-2003, but, the Planning Commission has approved Rs.25.00 crore only despite, higher allocation of Rs.25.77 crore in R.E. (2001-2002). When asked about its adverse impact on overall performance of this scheme due to reduced allocation, the Ministry stated:

“The Centrally Sponsored Scheme was to be completed in the Ninth five year plan but could not be done. It could start only in the fourth year of the Ninth Plan. Moreover, due to less allocation in the 4<sup>th</sup> & 5<sup>th</sup> year of the Ninth Plan, it was proposed that more outlay may be sought in the first year of Tenth Plan so that the same could be completed early. Though Planning Commission has kept outlay only Rs.25.00 crore for 2002-03, it can be enhanced at the R.E. stage if the progress of work under this scheme is achieved and hence no adverse impact is anticipated.”

1.97 Enquired about the details of anti-erosion works proposed to be initiated during 2002-2003, as well as during the Tenth Plan period, the Ministry stated:

“The works which were started under the above mentioned Centrally Sponsored Scheme in the IXth Plan were expected to be completed by the end of IXth Plan period. However, as some works could not be completed during this period they are to spillover in the Tenth Plan. Some more Critical anti erosion works may also be included under this scheme in the Tenth Plan on receipt of the details of the same from the States and on finalizing the EFC memo in this regard in the Tenth Plan.”

1.98 The Committee observed that the scope of the scheme has been extended by including two other components viz. ‘Raising and Strengthening of embankments along Kosi and Gandhak in Indian territory’ and ‘Anti-erosion works on Farakka Barrage Project’ in the scheme. On being asked as to why allocation has not been increased correspondingly, the Ministry stated:-

“Proposed outlay of the Ministry of Rs.1063.82 crore has been drastically curtailed by about 48%. As a result of the reduction in the outlay size approved by the Planning Commission, a major reduction in the outlays had to be carried out on Command Area Development Programme and Flood Control Sector. To implement additional component under the scheme, “Critical anti-erosion works in Ganga Basin States”, the Ministry proposed an outlay of Rs.115.00 crore for Annual Plan 2002-03. Against this, Planning Commission had approved Rs.25.00 crore under this scheme.

Considering the progress of the Plan expenditure under different schemes, the Ministry will reassess the requirement under different schemes and will approach Planning Commission/Ministry of Finance for higher allocation under the scheme to fulfill the committed liabilities at 2002-2003 R.E. stage.”

**Critical Anti-Erosion works in Coastal and other than Ganga Basin States**

1.99 The Ministry of Water Resources has proposed Rs.30.00 crore under the scheme Critical anti-erosion works in coastal and other than Ganga Basin States for the year 2002-2003, however, only Rs.0.10 crore has been approved, as the scheme is still to be approved by Planning Commission. When asked about the latest position in regard to approval of the scheme. The Ministry stated:

“The scheme will be re-proposed in the Tenth Plan as suggested by the Planning Commission and pursued vigorously.”

1.100 The Central assistance for coastal erosion to the maritime states was discontinued in 1991-1992, the States have expressed their inability in under-taking anti-sea-erosion without Central assistance. When asked about the reasons for the discontinuance of CLA from 1991-1992 and the reasons for not approving any other alternative scheme to provide CLA even after ten years, the Ministry stated:

“The discontinuation of the Central Loan Assistance to the maritime States for coastal erosion beyond 1991-92 was due to the decision taken in the 43<sup>rd</sup> meeting of National Development Council held in December 1991.

With the discontinuation of Central Loan Assistance, the State Governments/Union Territories have been facing financial difficulties in funding the anti-sea erosion works. The beach protection works suffered serious setback due to paucity of funds with the State Governments. The State Government approached the Government of India for locating source of funding for anti-sea erosion works. Realizing the setback received in the progress of coastal protection works in the maritime States, the Beach Erosion Board (now renamed as Coastal Protection & Development Advisory Committee), in its 23<sup>rd</sup> meeting held in July , 1994, requested the maritime States to formulate the proposals for protection of vulnerable coastal reaches from sea erosion in their respective States and send the proposals to Central Water Commission to coordinate and prepare a consolidated National Coastal Protection Project (NCPP) based on proposals received from State Government. Accordingly a consolidated National Coastal Protection Project (NCPP) is under formulation in CWC on the basis of the proposals received from the maritime States. This proposal is presently undergoing modifications due to revision of the proposals of the maritime States. For finalisation of the modified consolidated NCPP by the Central Water Commission, the modified proposals complete in all respects are required to be submitted by the participating maritime States/UTs, which are awaited. The State Governments are being reminded from time to time for early submission of the revised proposals.

Further to tide over the fund constraint faced by the States in completing anti-sea erosion measures on the critical reaches, the Ministry of Water Resources had formulated a scheme during the IXth Plan amounting to Rs. 30 crores (Central Share) for Central Assistance for Critical Anti-erosion Works in coastal and other than Ganga Basin States”. Out of Rs. 30 crores, Rs. 20 crores were kept for anti-sea erosion works in critical reaches for all the maritime States including West Bengal and the remaining Rs. 10 crores were for river bank protection works. The in principle approval was accorded by the Planning Commission and the scheme was also cleared by the Expenditure Finance Committee in September, 2000

subject to the condition that the Scheme would be put up to the full Planning Commission for their approval being a new Plan Scheme. The scheme will however be re-proposed in the Tenth Plan as advised by the Planning Commission.”

1.101 The Committee point out that large scale sea erosion is taking place in Karnataka and Kerala States. When asked about the urgent anti-erosion steps been taken by these states to contain it. The Ministry furnished the following details:

“Flood protection works including sea erosion works are being planned, financed and executed by the States themselves as per their priority. However, during the year 1991-92, an amount of Rs. 0.93 crore was provided to Government of Karnataka as central loan assistance for taking up anti sea erosion works. During 1995, upon the request of Government of Kerala, special central assistance of Rs.3.00 crore was sanctioned as one time measure for completing anti sea erosion works in Kerala. The proposals from these two States also form part of the Schemes relating to Critical anti-erosion in Coastal areas as well as NCPP.”

#### **Sutlej Yamuna Link Canal Project**

1.102 The project is funded in the Central Sector. Upto the end of March, 1994, a total amount of Rs.499.12 crore had been released to the Government of Punjab. The State Government had subsequently submitted a revised estimate which has been scrutinized by Central Water Commission and approved by the Advisory Committee of Ministry of Water Resources for Rs.601.25 crore. In it's judgement dated January 15, 2002, on the Suit filed by the State of Haryana in the matter of completion of SYL Canal, the Hon'ble Supreme Court has directed the Punjab Government to complete the canal and make it functional within one year of its judgement. Further, the Union Government has been directed to complete the canal through its own agencies as expeditiously as possible, if the canal is not completed by the State of Punjab within a period of one year.

1.103 The budget allocation (non-plan) for Sutlej Yamuna Link Canal Project is as under :

<b>(Rs.in crore)</b>				
<b>Name of Project</b>	<b>Actual 2000-2001</b>	<b>BE 2001-2002</b>	<b>RE 2001-2002</b>	<b>BE 2002-2003</b>
<b>Sutlej Yamuna Link Canal Project</b>	<b>0.00</b>	<b>8.00</b>	<b>8.00</b>	<b>8.00</b>

1.104 Budget allocation has been provided every year, but no expenditure has been incurred under this project, When asked about the efforts made by the Ministry for early completion of this hundred percent centrally funded project, which is almost 90% complete, the Ministry stated:

“Subsequent to the Supreme Court judgement dated 15.01.2002 in the matter of early completion of Sutlej Yamuna Link (SYL) Canal, this Ministry had sought the revised estimate of the project from the Government of Punjab for taking further action in the matter. The Punjab Government replied that the State of Punjab had filed Review Petition in the matter on 8<sup>th</sup> February, 2002 and further action would be initiated, if warranted, after seeing the outcome of Review Petition.

In anticipation that the directive of the Supreme Court would be implemented by the State of Punjab, this Ministry had also proposed an enhanced provision of Rs.250 crore in the Budget Estimates of 2002-2003 for the completion of the canal. However, as the process of formulation of Union Budget 2002-2003 was almost at the final stage, this Ministry has been advised by the Ministry of Finance to come for a Supplementary demand in the first batch during the financial year 2002-2003.

This Ministry had also requested the Government of Punjab in November 2001 for a convenient date for a meeting between the Chief Ministers of Punjab and Haryana to discuss the Sutlej Yamuna Link Canal issue. The State Government informed in December 2001 that the proposed meeting might be fixed only when the then Chief Minister, who was at that time recuperating from a major surgery, was in a position to undertake long journeys. Recently, a new Government has taken over in Punjab. It would, therefore, be the endeavour of this Ministry to continue with its efforts to find a convenient date to hold a meeting of the Chief Ministers of Punjab, Haryana and Rajasthan to discuss some of their water related issues including the completion of the SYL Canal at an early date.”

#### **NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED**

1.105 M/s 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. The authorized capital of the Company is Rs.30.00 crore and its paid up capital is Rs.29.84 crore. Out of this, an amount of Rs.1.05 crore has been contributed by the 14 State Governments and Union Territory of Chandigarh and rest of the amount is contributed by the Central Government. The total strength of the Company is 3111. Voluntary Retirement Scheme is in vogue since 1992 to reduce the surplus manpower. 2335 employees have taken retirement under this Scheme and an amount of Rs.50.54 crore has been utilized.

1.106 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, 2001 were Rs.419.39 crore. The main reasons of its sickness are continuous losses from 1989, negative net-worth from 1990-91, reinstatement of 950 retrenched workmen in 1991, surplus manpower, high interest cost on loans, fall in bagging of works and consequent low turnover, poor realization 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.

1.107 The Budgetary allocation for National Projects Construction Corporation during the years 2000-2001 actual expenditure, 2001-2002 BE, 2001-2002 RE and 2002-2003 BE are given below:-



(Rs. in crore)

Name of the Scheme/ Activity	Actuals 2000-2001		B.E. 2001-2002		R.E. 2001-2002		B.E. 2002-2003	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
National Projects Construction Corporation Limited	0.00	20.00	1.00	14.00	1.00	24.00	1.00	14.00
Voluntary Retirement Scheme	7.75	0.00	0.00	0.00	0.00	8.00	0.00	0.00

1.108 The Non-plan allocation under National Project Construction Corporation Limited (NPCC Ltd.) during the year 2001-2002 was Rs.14.00 crores, it has been enhanced to Rs.24.00 crores at RE stage. When asked about the reasons for steep enhancing of allocation, the Ministry stated:

“NPCC Ltd., being a sick PSU, is unable to generate sufficient funds to discharge its liability for payment of salaries/wages to its employees on its own. It mainly depends upon Non Plan Assistance provided by the Ministry for the purpose. Requirement of funds for meeting employees’ dues for the year 2000-01 was Rs. 39.73 crore against which only an amount of Rs.20 crore was provided thus leaving a gap of Rs.19.73 crore. With the increase in the number of non performing units in NPCC Ltd., the liability of the Corporation also increased. This increased liability alongwith the outstanding payment of the previous year amounted to Rs.63.95 crore including statutory dues of Rs.28.00 crore whereas only Rs.24 crore have been allocated in RE stage.”

1.109 When asked about the latest position of revival plan of NPCC Ltd., the Ministry in their reply stated:

“The draft CCEA note prepared on the basis of Report of M/s IDBI was circulated amongst the concerned Ministries/ Departments in September 2001. The comments of Deptt of Legal Affairs & M/o Petroleum & Natural Gas have recently been received in the Ministry. The Ministry of Finance in their comments have also suggested for disinvestment. This is also being pursued with the Disinvestment Commission.”

## **TRANSPORT SECTOR**

### **FARAKKA BARRAGE PROJECT**

1.110 The Farakka Barrage Project envisages preservation of Calcutta Port against silting by improving the regime and navigability of the Bhagirathi-Hooghly river system by regulation of upland supplies from Ganga to the Bhagirathi-Hooghly river system. The Farakka Barrage Project across the Ganga, Head Regulatr Feeder Canal, Barrage across the Bhagirathi at Jagipur were completed and commissioned in April, 1975. The navigation lock at Farakka was commissioned for inland navigation route of Haldia-Farakka-Allahabad in November, 1987.

1.111 The Farakka Barrage Project was started in 1962 at an estimated cost of Rs. 68.59 crore. The second revised estimate of Rs, 267.45 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 Frakka Barrage Project for the IX plan period amounting to Rs. 18.00 crore has also been approved. The Project has submitted one more EFC Memo, for procurement of spare gates and stop-logs etc. at an estimated cost of Rs.3.37 crore.

1.112 The financial allocation and actual expenditure incurred during the years 2000, 2001, 2002 and 2003 are given under:

Name of the Scheme/Activity	(Rs. in crore)							
	Actual 2000-2001		BE 2001-2002		RE 2001-2002		BE 2002-2003	
	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
Farakka Barrage Project	18.54	20.32	21.50	22.47	20.00	21.70	25.00	22.09

1.113 The financial outlay for Farrakka Barrage Project for the year 2001-2002 was Rs.21.50 crore. However, it has been enhanced to Rs.25.00 crore in Budget Estimates 2002-2003. The Ministry, when asked to elaborate the reasons for enhancing allocation in the B.E. (2002-2003). The Ministry in their written reply elaborated:-

“The revised estimate of FBP for the year 2001-2002 was Rs. 21.5 Crore. This outlay has been enhanced to Rs. 25 Crore in the budget estimate 2002-2003. The reasons for the same are as follows:-

The breakup of Rs. 21.5 Crore in the Revised estimate for 2001-2002 is given below:-

1. Salary component	Rs. 6.741 Crore
2. Suspense	Rs. 0.950 Crore
3. Charged	Rs. 1.000 Crore
4. Voted etc	Rs. 0.020 Crore
5. Major work	Rs. 12.789 Crore

-----  
Rs. 21.500 Crore

Against the provision of Rs. 12.789 Crore against the major works in the revised estimate for 2001-2002 a provision for Rs. 17.514 Crore has been made in the budget estimate for 2002-2003 against the major works thereby increasing the outlay by Rs. 4.7 Crore. There is very marginal change in other components of the budget. The increase in the major works is due to:

(A) Repair and maintenance of gates of main Farakka Barrage. This work is being done by Ms. NPCC Ltd. And Ms. Jessop and Co.

(B)The proposed works for anti erosion at the right bank of Ganga at the downstream are proposed to be taken up for providing protection to the downstream villages. These works detailed are as follows:-

- Nayansukh and Benia Gram (500M) reach - Rs. 2.37 crore
- At Maya and Fazilpur as stud 6 Nos. – Rs. 1.50 crore
- Bank protection work at Maya & Fazilpur as revetment -Rs. 2.00 crore

The above works are to be completed on priority during the financial year 2002-2003 in compliance with the decision taken by the Hon'ble Minister (WR) in a meeting at Farakka Barrage on the request of the local MPs and MLAs on 9.11.2001.”

1.114 Asked as to when the residual work on the Farakka Barrage Project was expected to be completed, the Ministry stated:-

“The major works during the financial year 2002-2003 have been prioritized to match with the budget allocation. These works shall be completed utilizing the full allocation during the next financial year 2002-2003.

The residual works included in 3<sup>rd</sup> RCE for the Farakka Barrage Project amounting to Rs. 307.89 Crore have been executed and the capital account of the Farakka barrage has been closed on March 31<sup>st</sup>, 2001. The anti erosion works, repair and maintenance of the FBP including its assets are continuance process for which the works are taken up as per requirement and against the allocation of the funds for taking up the works.”

1.115 The Committee during evidence pointed out that the allocation for Farakka Barrage project was too meagre to undertake all the works, the representatives of Ministry stated:-

“Coming to Farakka, as against Rs. 17 crore in the year 2001-02, for the current year 2002-03 the allocation of fund is Rs. 27 crore. We have also taken into account the requirement of fund for manufacture of spare gauge and stop locks as per the recommendation of the Committee. That will cost about Rs. 1.5 crore. To the extent the funds are made available to us, we are always trying to allocate as much as possible.”

## **CHAPTER II**

### **RECOMMENDATIONS/OBSERVATIONS**

#### **Recommendation No.1**

##### **Less allocation for 2002-03**

The Committee note that although the Ministry of Water Resources had proposed a plan budget allocation of Rs. 1063.82 crore for the year 2002-03, but the allocation of only Rs. 550 crore was approved by the Planning Commission for the Ministry. This allocation works out to be approximately 20% more than the Revised Estimates of Rs. 450 crore in 2001-02 and is almost 50% of the amount proposed by the Ministry. According to the Ministry the reduced Plan outlay of Rs 550 crore would mainly restrict the Ministry to initiate new/pipeline schemes namely (i) Command Area Development Programme; (ii) Pagladiya Dam Project; (iii) Flood Control in Brahmaputra Valley (iv) Critical anti erosion works in Ganga Basin States and Critical anti-erosion works in coastal and other than Ganga Basin States. The Committee are of the view that the above schemes which mainly relate to Flood Control Sector and Command Area Development Programme are very important and critical to water management in the country & deserve topmost priority.

The Committee, therefore, strongly recommend that the Planning Commission and Ministry of Finance should increase the Plan allocation of the Ministry adequately at the Revised Estimates stage so that the new/pipeline schemes as listed above are initiated fully in this year itself.

#### **Recommendation No.2**

##### **Non clearance of Ninth Plan Schemes**

The Committee are perturbed to find that a total outlay of Rs.2291.25 cr. was approved by the Planning Commission for the Ninth Plan but the annual allocation made to the Ministry for the successive years add up to only Rs.2082.42 cr. As against the annual outlays also there was further shortfall in expenditure to the tune of 14% of the total outlay during the Ninth Plan. The Committee are further unhappy to note that 11 new schemes scheduled to be introduced in the Ninth Plan by the Ministry were not approved by the Planning Commission during the whole of the Ninth Plan period. After having taken into account the importance of these 11 schemes, the Ministry might have proposed them to the Planning Commission for approval. It is, however, surprising that instead of vigorously pursuing for their expeditious clearance, the Ministry preferred to wait till the end of the Ninth Plan. The Committee disapproves of this approach of the Ministry which is indicative of lack of commitment and focus towards achieving the goals they have set for themselves.

The Committee, therefore, desire that the Ministry should be more vigilant in the Tenth Plan and make all out efforts to get the timely approval of the programme/schemes proposed by them to the Planning Commission. They should

also endeavour to ensure that no underutilization of funds takes place on this account during the Tenth Plan.

### **Recommendation No.3**

#### **New Schemes for Tenth Plan**

The Committee note that the Ministry have proposed ten new schemes for introduction during the Tenth Plan. They are, however, constrained to note that the Ministry are yet to submit detailed proposal to the Planning Commission for these schemes even though the Tenth Plan Period has already started. The Secretary, Ministry of Water Resources during the evidence informed the Committee that they have received the Tenth plan allocation only 2 days back and accordingly they would work out the detailed proposals for the schemes for submission to the Planning Commission. The Committee do not approve of the methodology adopted by the Ministry for submission of their proposals to the Planning Commission. They feel that the detailed proposals should have been submitted to the Planning Commission well in advance to obtain timely clearance of the schemes in order to introduce them at the beginning of the plan itself. The Committee, therefore, desire that the Ministry should submit detailed proposals promptly to the Planning Commission and pursue them vigorously for their early approval. Besides, in view of the fund constraints, it is also recommended that instead of thinly spreading these over a large number of schemes, more funds should be allocated for important schemes keeping in view the priority fixed for such schemes. A headway needs to be made towards adoption of macro management mode for consolidating the schemes and improving their performance.

### **Recommendation No.4**

#### **On going projects**

The Committee find that a whopping number of 159 Major, 242 Medium and 89 ERM projects are pending for completion in various States. They are highly distressed to find that as many as 44 Major & 10 Medium projects are pending since before the fifth five year plan.

A sum of Rs. 8007 crores has already been released up to the end of year 2001-02 under Accelerated Irrigation Benefits Programme (AIBP) for completion of pending projects. The Committee are constrained to note that only 20 projects are likely to be completed by end of Ninth Plan and during Tenth Plan 39 number of on going projects may be got completed. The Committee are dismayed at the very slow rate of completion of the projects and feel that it does not justify the huge investment made under the programme. There is a strong need for strengthening the monitoring machinery of these projects.

The Committee, therefore, recommend that the Ministry should intensify monitoring of projects under AIBP and persuade the State Government concerned to earmark more funds for projects which are nearing completion.

The Committee further recommend that completion of the pre-fifth plan projects should be given top priority and all the projects under AIBP be completed at the earliest.

### Recommendation No.5

#### AIBP Norms

The Committee find that AIBP norms have been relaxed and are linked to Water User Rates by the States. The Committee fully approve of it and sincerely hope that it will bring the desired reforms in water management.

### Recommendation No.6

#### Command Area Development

The Committee take a serious note of the facts to note that for Command Area Development, out of Rs.187.19 crore provided in BE (2001-02), a sum of Rs.71.06 cr. which comes to 40% of B.E. was diverted to other activities. Subsequently to reduce the gap, savings made in other schemes of the Ministry upto Rs.33.00 cr. were utilized for CAD programme. The Committee disapprove of such adjustments and recommend that sums allotted for a particular programme should be spent on that programme only instead of diverting it to other schemes/programmes.

### Recommendation No.7

#### CAD (Formation of Water Users Association)

The Committee are unhappy to note the slow pace of formation of Water Users' Associations in most of the States. Except in a few States, the number of Water Users' Associations formed are far from satisfactory. Though the Ministry is taking various steps to encourage formation of more Water Users' Associations in all the States, the formation of Water Users' Associations have not picked up to the desired level. The Committee are of the view that the peoples' participation in both management of water and also in the decision making process is very essential for just and equitable distribution of water resources.

They, therefore, desire that the Ministry should on the one hand impress on the States to urgently make provisions in their Irrigation Acts to provide for Water Users' Associations and on the other, ask the CAD functionaries to remove the misgivings from the minds of farmers in regard to viability of Water Users' Associations. The Ministry should also consider giving incentives to CAD functionaries for encouraging formation of more Water Users' Associations in various States.

### Recommendation No.8

#### Minor Irrigation

The Committee for the last 3 years have been continuously recommending for urgent approval and implementation of the Centrally Sponsored Scheme 'Participatory Management for Rehabilitation & Management of Minor Irrigation Project'. They are, however, dismayed to find that the scheme is still to be approved by the Planning Commission. The need for giving impetus to revival of old irrigation methods have been recognized by one and all as the most economical and surest way to have sustainable source of water. This was also one of the thrust areas of the Ninth Plan.

The Committee are informed that the Planning Commission while giving comments to the EFC proposal intimated that funds have not been tied up for the scheme and it could be done only after financial resources position for Xth Plan becomes clear. The said scheme has now been included in a comprehensive scheme 'Command Area Development' and 'Water Management' and will be repropose to the Planning Commission for approval and funding. The Committee would like to be enlightened about the reasons as to why funds for such a vital programme which was a thrust area of the Ninth Plan were not tied up during the whole of the Ninth Plan leading to avoidable delay in approval of the scheme. The Committee, therefore, strongly recommend that the scheme should be repropose to the Planning Commission at the earliest and concerted efforts be made to get its approval without any further delay.

#### Recommendation No. 9

##### Roof top water harvesting in Delhi

The Committee note with serious concern that in many areas in NCR of Delhi the water level has gone down to more than 10 metres during the last 20 years. In order to check the decline, the CGWA has made roof top rain water harvesting system mandatory for group housing societies, institutions, hostels, hotels etc. in notified areas by 31.3.2002 to recharge the ground water. The Committee are however constrained to note that only at 9 places in Delhi, roof top rain water harvesting is being done, which shows a very poor implementation of CGWA direction. In the opinion of the Committee, enough publicity has not been given to these directions of CGWA. Need for rain water harvesting has to be ingrained into the people's mind.

The Committee, therefore, desire that since this a new concept and needs a widespread publicity, the Ministry should make extensive efforts to publicise it in every nook and corner of the country. The concept of rain water harvesting should be included in school's curriculum and programmes in this regard should be regularly telecast on various channels so as to educate people on the urgent need for rain water harvesting. They further recommend that the directions for rain water harvesting should be extended to whole of the capital instead of only in Notified Areas. Delhi should be a model in taking a lead in roof top water harvesting, which other States/cities could emulate.

The Committee also recommend that stipulation of provision of rain water harvesting has been made in group housing society should be strictly insisted before advancing loans to individual members of the society by various financial institutions.

#### Recommendation No.10

##### Declining Ground Water Level

The Committee note with serious concern the rapidly declining ground water levels in various parts of the country. They are constrained to find that the Government is not addressing adequately to the gravity of the problem. The Government do not have any national policy on underground water so that the water level could be restored or improved specially in areas where ground water Level have shown alarming decline. The pilot central sector scheme on 'Studies on Artificial Recharge of Ground Water' being implemented in some parts of the

country has shown encouraging results but in spite of this, Planning Commission has not approved it as a full fledged Centrally Sponsored Scheme.

The Secretary (WR) during evidence admitted that due to the reason that the ground water recharge scheme was only on pilot basis, enough funds were not being made available to the States for undertaking scheme on ground water recharge.

The Committee are at a loss to understand the delay on the part of Planning Commission to approve the scheme which is so urgent and vital to the human existence. The Committee have been strongly recommending in its various reports earlier that this scheme should be cleared without any further delay and implemented urgently. The Committee once again recommend that early clearance to the Centrally Sponsored Scheme on 'Artificial Recharge of Ground Water' should be given by the Planning Commission so that it can be taken up on a large scale in order to arrest the declining trend of ground water level in various parts of the country.

The Committee also note with concern the cases of arsenic poisoning of ground water in West-Bengal. They desire the Ministry to find some effective solution to this serious problem.

#### **Recommendation No. 11**

#### **Scheme for Drought Prone Areas**

The Committee recommended in their earlier reports to formulate suitable schemes/plans on priority basis to tackle the problem on drought prone areas. The Ministry has informed that the Government has drawn contingency plan under which more exploratory wells were being drilled in those areas with increased pace. The Committee are of the view that this is not a long term sustainable solution to the problem. The solution lies in conservation of whatever little rainfall they receive. The Committee during the tour to Gujarat found at some places check dams which were giving very good results. The Committee desire that other States should also emulate this and feel that the Ministry should also come forward and make all out efforts to encourage/construct small water harvesting structures on mission mode in these areas so as to conserve rain water for scarcity period. A plan on this should be immediately chalked out for drought prone areas with the involvement of the local people and NGOs and it should also be ensured that adequate funds are earmarked for the project.

#### **Recommendation No. 12**

#### **National Water Development Agency (NWDA)**

The Committee note that the National Water Development Agency have completed feasibility reports for 6 water basin transfer links in Peninsular region. Out of these 6 links, 2 links viz. Pamba-Achankot-Vamppai Link and Krishna Pennar benefit drought prone areas. The Committee have been informed that the Governing Body of NWDA has decided to set up a committee comprising the Chairman, CWC, DG, NWDA and Irrigation Secretaries of concerned State Governments to initiate discussions with these States for preparation of detailed



project reports/action plan for implementing the links. The Committee desire that this committee should be urgently set up so that it starts functioning at the earliest. The Committee further recommend that the discussion for the 2 links as stated above, which benefit drought prone areas be given top priority so that they can be implemented at an early date for the benefit of drought prone areas.

#### **Recommendation No. 13**

##### **Critical Anti-Erosion Works in Ganga Basin States**

The Committee are constrained to note that against an outlay of Rs. 115 crore proposed by the Ministry for 'Critical Anti-Erosion Works in Ganga Basin States' only Rs. 25 crore has been allocated for 2002-03. This is despite of the fact that the scope of the scheme has been extended and two new components viz. 'Raising and Strengthening of Embankments along Kosi and Gandhak in Indian Territory' and 'Anti Erosion Works in Farakka Barrage Project' have been added to the scheme. The Committee do not see any justification for allocating a meagre amount for a very important scheme which can give benefit to large number of people inhabiting the affected areas. They, therefore, recommend that the Planning Commission should make higher allocation under the scheme at the RE stage to enable the Ministry to do justice to the scheme as also to the people living in the affected areas. The Committee, further recommend that the Government to make suitable financial provision in the scheme for rehabilitation of people affected by the erosion.

#### **Recommendation No. 14**

##### **Critical anti-erosion works in Coastal and other than Ganga Basin States**

The Committee note that the Ministry of Water Resources had proposed Rs.30.00 crore under the scheme 'Critical anti-erosion works in Coastal and other than Ganga Basin States' for the year 2002-03, however, the Planning Commission has approved Rs.0.10 crore only as the scheme is still to be approved by the Planning Commission. The Ministry have informed that the Planning Commission has advised them to re-propose the above scheme for the Tenth Plan. The Committee find that sea-erosion has been taking place in many coastal States/Uts, on a large scale and these states/Uts have been facing financial difficulties in funding the anti sea erosion works. In July, 1994 the Coastal Protection & Development Advisory Committee requested the maritime States to formulate the proposals for protection of vulnerable coastal reaches from sea erosion in their respective States and send them to Central Water Commission to coordinate and prepare a consolidated National Coastal Protection Project (NCP) based on the proposals received from State Governments. Almost eight years have already passed, but the proposal on 'Consolidated National Coastal Protection Projects' is yet to be formulated and the maritime States continue to be affected by sea-erosion. The Committee, therefore, strongly recommend that the Ministry should repropose the scheme as advised by the Planning Commission immediately without any further delay and pursue the matter with the Planning Commission for its early clearance.

In the meantime, the Committee desire that the formulation of proposal on 'National Coastal Protection Project' should be expedited and submitted to the Planning Commission for early clearance so that the anti sea-erosion measures can be taken up to protect further erosions in these States.

#### Recommendation No. 15

##### Desilting of old Rivers

The Committee are happy to note that in pursuance of their recommendation in their last Report the Ministry has constituted a high level scientific Committee to study the problem of silting in rivers under the Chairmanship of former Chairman, Central Water Commission (CWC) on 8<sup>th</sup> October, 2001. The Secretary, Ministry of Water Resources during evidence has informed that this Committee will submit their Report within six months.

The Committee hope that after the receipt of Report, on the basis of recommendations made, the Ministry will take follow up action expeditiously. They desire that a copy of the Report may also be forwarded to the Committee for their consideration.

#### Recommendation No.16

##### Indo-Nepal Irrigation Project

The Committee note with serious concern that the States of Bihar, UP and West Bengal are continuously affected by floods from rivers coming from Nepal. The embankments to control the river are not properly maintained by the concerned States on account of huge requirement of funds, which is beyond the reach of these States. The Committee opine that the Ministry should envisage some financial assistance packages/schemes for maintenance of these embankments on priority basis to avoid devastation due to floods in future in these States

In this connection, the Committee are happy to note that a very good breakthrough has been made in the recent negotiations with the Nepal Government in case of Pancheshwar Project where a joint team has decided to prepare (Detailed Projects Reports) (DPR) by June 2002. The Committee, therefore, desire that the Government should now make concerted efforts for similar co-operation for other projects i.e. High Kosi and Sun- Kosi which are also equally vital for mitigating the sufferings of people living in the States of Bihar, UP and West Bengal bordering Nepal.

#### Recommendation No. 17

##### Farakka Barrage Project

The Committee note that the Plan budget allocation for Farakka Barrage Project for the year 2001-02 was Rs. 21.50 crore, however, it was reduced to Rs. 20.00 crore at the Revised Estimates stage 2001-02. The Ministry had proposed Rs. 30.00 crore under this sector for the year 2002-03, but the Planning Commission has approved Rs. 25.00 crores being Rs. 5.00 crore less allocation than proposed. The Committee are very much concerned to note that there are many works to be completed in the Farakka Barrage itself. The township maintenance and other works are also not being taken up due to paucity of funds. The fund allocated for

**this project is very meagre. The Committee, therefore, strongly recommend that the Ministry should request the Planning Commission and the Ministry of Finance to increase the allocation at the Revised Estimate stage to meet the requirements of funds for repairing and maintenance of gates of Farakka Barrage as also the proposed works for anti-erosion.**

NEW DELHI;  
15<sup>th</sup> April, 2002  
25 Chaitra, 1924 (Saka)

**S.S. PALANIMANICKAM**  
*Chairman,*  
*Standing Committee on Agriculture*