

**STANDING COMMITTEE ON AGRICULTURE
(2001)**

TWENTY SECOND REPORT
STANDING COMMITTEE ON AGRICULTURE
(2001)

THIRTEENTH LOK SABHA

MINISTRY OF WATER RESOURCES

DEMANDS FOR GRANTS (2001-2002)

SEAL

LOK SABHA SECRETARIAT
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COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE
FOR THE YEAR - 2001

Shri S.S. Palanimanickam - Chairman

MEMBERS

LOK SABHA

2. Shri Ram Tahal Chaudhari
3. Shri Shivraj Singh Chouhan
4. Shri Shamsheer Singh Dullo
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28. Shri Zora Singh Mann
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RAJYA SABHA

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42. Shri Yadlapati Venkata Rao
43. Shri Sharief-Ud-Din Shariq
44. Shri Devi Prasad Singh
45. Vacant

SECRETARIAT

- | | | | |
|----|---------------------------------|---|-------------------------|
| 1. | Dr.(Smt.) Paramjeet Kaur Sandhu | - | Joint Secretary |
| 2. | Shri Raj Shekhar Sharma | - | Deputy Secretary |
| 3. | Smt. Anita Jain | - | Under Secretary |
| 4. | Shri Ramesh Lal | - | Sr. Executive Assistant |

* ceased to be a Member of the Committee owing to his demise on 6.4.2001

PREFACE

I, the Chairman, Standing Committee on Agriculture having been authorised by the Committee to submit the report on their behalf, present this Twenty Second Report on Demands for Grants of the Ministry of Water Resources for the year 2001-2002.

2. The Standing Committee on Agriculture was constituted on 1st January, 2001. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Departments and make a report on the same to the Houses. The report shall not suggest anything of the nature of cut motions.

3. The Committee took evidence of the representatives of the Ministry of Water Resources on 29th March, 2001. The Committee wish to express their thanks to the officers of the Ministry of Water Resources for placing before them, the material and information which they desired in connection with the examination of Demands for Grants of the Ministry for the year 2001-2002 and for giving evidence before the Committee.

4. The Committee considered and adopted the Report at their sitting held on 11th April, 2001.

New Delhi;

11th April, 2001

21 Chaitra, 1923 (Saka)

S.S. PALANIMANICKAM,

Chairman,

Standing Committee on Agriculture

PART - I

CHAPTER I

DEMANDS FOR GRANTS (2001-2002) OF MINISTRY OF WATER RESOURCES

AN INTRODUCTION & OVERVIEW

Role & Functions

1.1 'Water' being a State subject, the role of the Central Ministry of Water Resources has been advisory to the State Governments for sustained development of water resources in the country. The overall role and responsibility of the Union Ministry of Water Resources is to lay down policy guidelines and programmes for the development and regulation of the nation's water resources, both surface and ground, in a holistic approach.

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. 84 of Central Budget. A Budgetary summary of Ministry of Water Resources is given below :

Demand No. 84

(Rs. in crore)

Year	Plan	Non-Plan	Total
1999-2000(Actuals)	370.81	196.38	567.19
2000-2001(BE)	487.42	218.10	705.52
2000-2001(RE)	437.00	231.55	668.55
2001-2002(BE)	512.00	241.52	753.52

1.4 The Budget Estimates(2001-2002) is Rs. 753.52 crore comprising Plan allocation of Rs. 512.00 crore and non-plan allocation of Rs. 241.52 crore, while the budgetary allocation in (2000-2001) was Rs. 705.52 crore comprising Plan allocation of Rs. 487.42 crore and non-plan allocation of Rs. 218.10 crore.

1.5 The Committee enquired about the demand placed by the Ministry of Water Resources to the Planning Commission and that approved by them for the year 2001-2002. In reply, the Ministry in a note stated :-

“The Sector-wise details of outlay proposed by the Ministry to the Planning Commission and the outlay accepted by the Planning Commission for the Annual Plan 2001-2002 are given as under:-

(Rs. in crore)

Sector	Proposed outlay	Approved Outlay
1	2	3
Secretariat & Economic Services	7.57	1.74
Major & Medium Irrigation	62.23	56.14
Minor Irrigation	237.16	84.58
CAD Programmes	228.30	187.19
Flood Control	300.56	148.85
Transport Sector (FB Project)	28.16	21.50
Total	863.98	500.00

Ninth Five Year Plan Outlay

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

Gross Budgetary Support - Rs. 2291.25 cr.

(i) Domestic Budgetary Support - Rs. 2145.42 cr.

(ii) External aid through Budget - Rs. 145.83 cr.

1.7 The (Plan) budget outlays, expenditure and shortfall during the first four years of 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

1.8 The total actual allocation for 9th Plan is Rs.2094.42 crore and the outlay for 2001-02 is Rs. 512 crores. When asked about the reasons for under utilization of funds allocated to the Ministry during the first four years of the IX Plan, the Ministry in a note stated:

“The reasons for shortfall in expenditure/utilisation of Plan funds allocated to the Ministry during the first four years of the Ninth Plan are as under:

(1) Late finalisation (1999-2000) of the Ninth Plan Outlay of the Ministry 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) Pagladiya Dam Project, (b) Critical Anti-erosion Works in Ganga-basin States were approved only in the 4th year and as a result, adequate expenditure could not be incurred vis-à-vis/ budgeted outlays for these schemes.

(3) The scheme relating to Flood Control in Brahmaputra Valley is yet to be approved by the full Planning Commission.”

1.9 The budget outlays, actual expenditure and increase in expenditure relating to non-plan during the first four years of IX Plan are given as under :-

(Rs. in crore)

Year	Outlay	Actual Expenditure	Increase in Expenditure
1997-1998	133.86	162.57	28.71
1998-1999	177.49	184.32	6.83
1999-2000	194.85	196.38	1.53
2000-2001	218.01	231.55	13.54

1.10 When asked about the reasons for enhancing the non-plan expenditure every year from 1997-98 onwards, the Ministry stated as under:

“It would be seen from the above table that there was sharp increase in Non-Plan expenditure during 1997-98. This is due to implementation of the recommendations of the 5th Pay Commission. Increase in expenditure during 1998-99 and 2000-01 is on account of additional provision of Rs.4.50 crore and Rs.15.00 crore respectively for NPCC for payment of salary/wages of employees of idle units. Increase in expenditure during 1999-2000 is on account of normal increments and implementation of Assured Careers Promotion Scheme.”

1.11 The Committee enquired as to why on one hand the Plan expenditure was less than the allocated amount and on the other the Non-Plan expenditure was increasing every year during the first four years of the 9th Plan. The Secretary, Ministry of Water Resources during evidence stated:

“With regard to Plan expenditure, when we provide Budget estimates, certain schemes that we have submitted to the Planning Commission are also considered. But sometimes what happens is that some of these schemes are not approved. Unless the schemes are approved, we are not able to incur expenditure. This is one reason why the Plan expenditure is not that much as we anticipate in the beginning of the year. We expect that the schemes that have been submitted to

the Planning Commission will be approved within a couple of months. But sometimes it takes much longer time. That is one reason why on some of the new schemes, we are not able to incur expenditure.

Some schemes are going to be implemented by the State Governments because the Government of India is giving assistance to the States. So, some have faced problems with regard to land acquisition or similar problems which they are not able to explain. But, by and large, we have been able to spend more than 95 per cent of the R.E.

The other issue was about non-Plan expenditure. We have one organization that is, NPCC. We have to provide budgetary support to pay salary to the staff. We always request the Ministry of Finance to release some more amount so that, at least, the statutory dues are taken care of. Sometimes, we get those funds. That is one reason why Non-Plan Budget allocations are exceeded.”

Budget Allocation for the North Eastern Region of the Country

1.12 The total plan funds allocated for North Eastern Region for the year 2001-2002 is given as under:-

The scheme-wise/project-wise financial outlays and actual/anticipated expenditure along with shortfall and utilisation of funds are given as under:

(Rs. in crore)

Scheme	1997-2001 (4 years)		Outlay 2001-02
	Outlays	Expenditure	
1. Investigation for W.R. Development of Arunachal Pradesh	2.15	1.05	1.00
2. Grant-in-aid to Brahmaputra Board	48.15	55.98	20.00
3. Pagladiya Dam	44.00	24.82	27.00
4. Flood Control in Brahmaputra Valley	83.00	51.00	25.00
5. Harrange Drainage Scheme	9.20	9.97	1.85
6. Strengthening & Modernisation of FF & HO Network in Brahmaputra & Barak Basin	1.50	1.53	0.70
7. CADP (N-E State Portion)	*	6.76	*

Total	188.00	151.11	75.55
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(*) No State-wise allocation is made under CADP.”

1.13 When asked about the reasons for shortfall in expenditure during the first four years of the 9th Plan, the Ministry in their reply stated:-

“From above table, it may be noted that shortfall in utilisation of available plan funds is mainly on account of the two schemes, namely,

- (i) Pagladiya Dam Project &
- (ii) Flood Control in Brahmaputra Valley

Pagladiya Dam Project was under consideration of MoWR, Planning Commission and Ministry of Finance, but the final approval of the scheme by CCEA was accorded only in Dec. 2000. As a result of this, the funds proposed during the earlier Annual Plans could not be utilised. However, during 2000-01 an amount of Rs.24.82 crore is likely to be spent.

Under the scheme Flood Control in Brahmaputra Valley assistance in the form of loan was being released to the States of Assam for the proposed activities. The scheme with the revised pattern of the assistance to provide Central grants to the extent of 90% to all the North East States is yet to be approved by the CCEA. This has resulted in savings under the scheme which would, however, be transferred to the non-lapsable Central pool for the North-Eastern States.”

National Water Policy

1.14 The Ministry is the nodal Ministry in regard to matters concerning the country's water resources. For proper management and harnessing of our water resources in the country, it is necessary that its optimum utilization vis-a-vis the need of various water user sectors is in a national perspective. The National Water Policy was adopted in 2nd meeting of National Water Resources Council (NWRC) held on 9th September, 1987. The policy lays down broad guidelines for development and management of Water Resources, governed by National Perspective, treating water as a prime natural resource and a national asset.

1.15 Since the adoption of National Water Policy in 1987 a number of challenges have emerged in the development and management of Water Resources Sector. The National Agenda for governance provides for adoption of National Water Policy for effective and prompt settlement for disputes and their time bound implementation. On 22nd March, 1999 the Prime Minister in his address to the Nation had also stated that the Government would unveil a National Water Policy so that no water goes waste and we can clean up our water resources. Thereafter, the existing National Water Policy needs to be reviewed and updated.

1.16 Accordingly, a draft updated National Water Policy (1998) was formulated and was placed before the National Water Resources Council in its 4th meeting held on 7th July, 2000 for consideration and adoption.

1.17 When asked about the latest position in regard to finalization of National Water Policy, the Ministry stated :-

“A National Water Policy was adopted by National Water Resources Council in September, 1987. However, implementation during last 13 years has brought out certain shortcomings in the policy. Accordingly it is now proposed to revise the NWP in view of the experience gained and the emerging challenges in the Water Resources Sector.

The 4th meeting of the National Water Resources Council under the Chairmanship of Hon’ble Prime Minister was held on 7th July, 2000 for the adoption of revised National Water Policy. During the meeting, the deliberations established a broad consensus among the states on most of the issues contained in the proposed policy. However, there were some areas of differences.

The Council decided to constitute a Working Group of Ministers of all the States / Union territories under the Chairmanship of Union Minister of Water Resources to examine the draft of the revised National Water Policy in order to achieve greater convergence and agreement on issues involving divergent views amongst the members of the Council. The Working Group has been constituted under the chairmanship of the Union Minister of Water Resources on 9th October, 2000 with

Ministers from all the States and Lt. Governor/Administrator of Union Territories.” The meeting of the Working Group is proposed to be held on 5th May, 2001.

1.18 In this connection, the Secretary, Ministry of Water Resources during his evidence added as follows:

“We have modified the draft and placed it before the National Water Resources Council. Most of the items of the revised policy are consensus items. But there are a few items on which there was no consensus. So, it was decided to form another Committee under the Minister of Water Resources to look into the items on which there is no consensus. They should come out with a concrete set of suggestions in this regard.”

Overseas Assistance

1.19 21 Projects of Water Resources are being implemented in various States with the help of overseas assistance. The details of assistance received during the years 1997-98 to 2000-2001 are given in Annexure 60.

1.20 When asked about the mechanism available in the Ministry for monitoring overseas assistance in the States, the Ministry stated:

“The monitoring of implementation of externally aided projects is carried out by the Ministry of Water Resources, Deptt. of Economic Affairs and the donor agencies. As regards the mechanism for monitoring of the Externally Aided Projects in the Ministry is concerned it depends on the magnitude of the assistance and the type of the project.

In respect of the Multi-State/ multi agency projects like Hydrology Project , Dam Safety Assurance and Rehabilitation Project, a Steering Committee has been established under the chairmanship of Secretary(WR) for overall monitoring of the Project.

In respect of Major & Medium externally aided Irrigation Projects monitoring of the Projects is being done by Member(WP&P), Central Water Commission on quarterly basis.

For monitoring of Minor Irrigation Projects/ Research, Schemes, the State Govts./ project authorities have constituted steering committees headed by concerned Secretary, where Ministry of Water Resources is also represented as one of the Member.”

Hydrology Project

1.21 The Hydrology Project is being implemented with International Development Association (World Bank) assistance of SDR 90.1 million (US\$ 142 million equivalent) under a credit agreement with Government of India. The total cost of the Project is estimated at US\$ 180.9 million comprising IDA Component US\$ 142 million; Government of India component US\$ 21.5 million and Dutch Grant US\$ 17.4 million. The Credit Development Agreement and Project Agreement was signed with the World Bank on 22nd September, 1995 for six years project operation (1995-96 to 2000-2001) and credit effectiveness of the project began on 20.12.95. The Government of Netherlands is providing a grant-in-aid of DFI 29.9 million (US\$ 17.4 million) in the form of technical assistance under a bilateral Indo-Dutch Agreement.

1.22 The terms of agreement under Hydrology Project will come to an end on 31st March, 2002. The Committee wanted to know the percentage of funds utilized/physical target achieved so far and shortfall under various components. In reply, the Ministry furnished the following details:-

“As on December 31, 2000, the expenditure incurred under the project is 54.24% of the total project cost. The component wise expenditure details are given below:

Sl. No.	Items	Expenditure in %age
1.	Civil works	64.87
2.	Equipment and material (goods)	43.00
3.	Training and studies	49.34
4.	Incremental staff salaries and recurrent costs	59.80
	Total (Average)	54.24

The physical progress upto December 31, 2000 of the major components of the project are as below:

Sl.No.	Item	Target	Achieved	% achievement
1.	River gauging sites	920	771	84
2.	Meteorological stations	461	423	92
3.	Observation wells	7912	5590	71
4.	Water quality labs.	274	203	74
5.	Buildings	1582	1262	80
6.	Computer	637	312	49
7.	Vehicles	568	449	79
8.	Training	23287	17467	75
9.	Incremental staffing	31289	2212	70.7

The six year implementation period of the Hydrology Project has been broadly sub-divided into two phases. Phase-I (3 to 4 years) characterises putting in place the necessary infrastructure for data management both through upgradation and expansion viz. construction of buildings, procurement of equipment and material etc. The phase-II (3 to 4 years) is meant for testing the data collection, storage and transfer system for data management.

Though the project has been under implementation for more than 5 years (considering September 1995 as the project start date) the progress of Phase-I, i.e. infrastructure development is about 75% as on 31.12.2000. However, concurrently Phase-II has also been under implementation for more than a year and considerable progress has been achieved. The reasons for shortfall in the progress of Phase-I are as under:

- (i) Delay in project commencement by one year.
- (ii) Delay in the start of consultancy services.
- (iii) Inadequate factoring of time in project schedule for site identification and rationalisation.
- (iv) Difficulty in adopting World Bank procurement procedures.
- (v) Large number of procurement packages.”

1.23 The Committee noted that 2001-2002 is the terminal year of the project. When asked as to whether the Ministry have taken any special measures to utilize 100% assistance, the Ministry in their reply stated as under:

“At the instance of the Ministry of Water Resources, the project implementing agencies have drawn Action Plan for the balance project period. As per their projection, the total expenditure upto March 31, 2002 (credit closing date) would be about Rs.525.00 crore, which is 87% of the total project cost of Rs.600.08 crore as revised by the World Bank in May 2000. The project would achieve its targets in terms of physical and development objectives. However, the shortfall in utilising 100% credit assistance is due to:

- (i) Decline in unit prices of computers.
- (ii) Excess estimation of training costs.
- (iii) Rise of rupee parity to SDR/Dollar.”

1.24 The Ministry of Water Resources have requested World Bank for extension of project by one year so as to obtain adequate experience with the operation of some of the components of the project. In this connection, the Committee wanted to know from the Ministry about the response of the World Bank regarding their request for extension of project by one year. The Ministry in a note stated as follows :

“The World Bank has informed that the final decision on extension of project period by one year will be taken based on the recommendation of World Bank Supervision Mission to be launched in April 2001.”

Major and Medium Irrigation

1.25 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.

1.26 A target of 9.81 m.ha. had been set for creation of additional potential during the Ninth Plan (1997-2002). According to a provisional estimate, the irrigation potential through Major and Medium projects has reached the level of 35:35 m.ha by 1999-2000.

1.27 The Plan wise progress of creation of irrigation potential through major and medium irrigation projects and the expenditure incurred is given below :

Period	Outlay Expenditure (Rs. crores)	Potential Created (m.ha)	
		During	Cumulative
Pre plan period	Not available	9.70	9.70
First Plan (1951-56)	376.00	2.50	12.20
Second Plan(1956-61)	380.00	2.13	14.33
Third Plan(1961-66)	576.00	2.24	16.57
Annual Plans(1966-69)	430.00	1.53	18.10
Fourth Plan(1969-74)	1242.00	2.60	20.70
Fifth Plan (1974-78)	2516.00	4.02	24.72
Annual Plan(1978-80)	2079.00	1.89	26.61
Sixth Plan(1980-85)	7369.00	1.09	**27.70
Seventh Plan(1985-90)	11107.00	2.22	29.92
Annual Plan(1990-92)	5459.00	0.82	30.74
Eighth Plan(1992-97)	*21669.00	*2.22	*32.96
Annual Plan (1997-98)	*7559.88	*0.68	*33.64
Annual Plan(1998-1999)	*9322.15	*0.88	*34.52
Annual Plan (1999-2000)	*11050.54	(target)0.83	*35.35
Ninth Plan(1997-2002)	42959.34	9.81	42.77

**potential created from pre-plan period to end of Sixth Plan was re-appraised.

1.28 When asked about the year-wise irrigation targets and achievements during 9th Plan, the Ministry gave the following details :

(In m.hectares)

Year	Major & Medium Irrigation		Minor Irrigation	
	Target	Achievements	Target	Achievements
1997-98	1.03	0.66	0.54	0.80
1998-99	0.88	0.65	1.61	0.74
1999-2000	0.83	0.83(Prov.)	0.58	0.58(Prov.)
2000-01	0.98	0.98(Prov.)	1.50	1.50(Prov.)
2001-02	NA*	-	NA*	-

(* Figures of targets for different States & UTs for A.P. 2001-02 will be finalised by Planning Commission only after State-wise/Sector-wise Working Group discussions and finalisation of outlays for the State Plans.)

1.29 When enquired about the reasons for shortfall during the above mentioned years, the Ministry stated :

“It was targeted to achieve the objectives/targets through completing the different major & medium projects. At the beginning of the Ninth Plan there were 162 major projects, 240 medium projects and 74 Extension, Renovation & Modernisation (ERM) projects with a total spill over cost of Rs.79,321 crore. The minor irrigation schemes are also taken up from the Plan funds, Institutional Finance and private investments by the farmers. It may be pointed out that irrigation is a State subject and all types of irrigation projects are conceived, planned and implemented by the State Governments according to their own priorities and financial resources. However, with a view to complete ongoing major & medium irrigation projects in a time bound manner so that the benefits from the locked up investments can be accrued at the earliest, Central Govt. is providing Central Loan Assistance to the State Governments for the selected irrigation projects under AIBP which was launched in the year 1996-97. Up to Feb. 2001 loan assistance amounting to Rs.5478.60 crore have been released to 25 states under AIBP. NABARD is also providing loan assistance for the development of irrigation. It was observed that late approval by the NABARD has also contributed to the decline in granting credit to the sector. It has further been

observed that there has been a decline in the institutional finance for assisting some of the defaulting States as their recovery level is very low.”

1.30 The following are the budget allocation for Major & Medium Irrigation schemes:

(Rs. in crore)

Name of scheme	Actual 1999-2000		B.E. 2000-2001		R.E. 2000-2001		B.E. 2001-2002	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Major and Medium Irrigation Scheme	48.32	97.47	50.60	110.78	49.03	121.71	56.14	127.79

1.31 Financial outlays (Plan) for Major and Medium Irrigation Scheme for 2000-2001 was fixed at Rs.50.60 crore, however, it was slashed down to Rs.49.03 crore at the Revised Estimates stage. When asked about the reasons for slashing down the allocation at the R.E. stage, the Ministry stated:

“Financial Outlays (Plan) for Major & Medium Irrigation Schemes was reduced at the R.E. stage because of the following unapproved schemes:

(i) Dam Safety Assurance & Rehabilitation Scheme (Phase-I) being implemented with the World Bank Assistance was completed in Sept. 1999. Certain consolidation activities were proposed to be carried out through Domestic Budgetary Support during 2000-01 under the scheme. The proposal was however, not approved. As a result budgeted outlay of Rs.1.71 crore for the scheme was reduced to zero.

(ii) The proposed new scheme “Development of Human Resources and Professional Expertise” was not approved for Plan funding and hence was dropped, and the budget allocation of Rs.0.85 crore under the scheme was reduced to zero.

(iii)The proposed new scheme “Setting up of specialized unit in HE design, Pumped Storage & Instrumentation” was again not approved for Plan funding and hence the budget allocation of Rs.0.43 crore under the scheme was reduced to zero at the RE stage.

Besides, there was a reduction of Rs.1.62 crore in respect of Hydrology project component of CWPRS and NIH. However, apart from the above reductions, there was a net increase in the RE for the other approved on-going schemes under Major & Medium Irrigation.”

1.32 During 2001-2002, for Major and Medium Irrigation scheme the allocation has been increased to Rs.56.14 crore. When asked as to whether this amount was adequate to undertake all the schemes initiated under Major and Medium Irrigation Projects, the Ministry in their reply stated :

“As compared to 2000-01, Planning Commission has approved a higher allocation of Rs.56.14 crore in 2001-02 for the Major & Medium Irrigation sector schemes. Physical targets are set only according to available budgetary resources. Accordingly, the maximum thrust will be given to complete the ongoing approved activities under the continuing Plan schemes so that benefits from the locked up investments under the schemes are derived.”

1.33 Non-Plan allocation/expenditure has been increasing continuously, as observed in the year 1999-2000 that actual expenditure was Rs.97.47 crore and in budget estimates 2000-2001, it was increased to Rs.110.78 crore, further at the Revised Estimates stage it was further enhanced to Rs.121.71 crore. For this year also it has been increased to Rs.127.79 crore. In this connection, the Committee desired to know the reasons for increasing non-plan allocation continuously and substantially. The Ministry in their reply stated as under :

“Non-plan provision is basically for meeting establishment expenditure except Sutlej Yamuna Link Canal Project. Increase in provision in B.E.2000-01 over actuals of 1999-2000 was on account of additional provision meant for

implementing ACP Scheme, orders for which were issued in August, 1999. Provision in R.E. 2000-01 was Rs.121.71 crore which includes additional provision of Rs.15.00 crore for NPCC for meeting payment of outstanding salary/wages of employees of idle units from Feb.1999 to March 2001. Similarly, a provision of Rs.14.00 crore has been kept in B.E. 2001-02 for NPCC to meet expenditure on salary/wages of the employees working in idle units of NPCC. Except for NPCC, there has been only marginal increase in budget provision to meet expenditure on normal increments, additional DA under Salary/Wages, etc.”

1.34 As regards water logging of areas and their reclamation, the Committee enquired whether the Ministry has initiated any preventive and reclamation measures in those areas. The Ministry in their reply stated :

“The Ministry has initiated both, preventive and reclamation measures in the waterlogged areas. The preventive measures include conjunctive use of surface and ground water, prevention of seepage from watercourses and promotion of efficient water management techniques at farm level. For reclamation of waterlogged areas the Ministry has sanctioned 360 projects spread over in 9 states covering an area of about 45 thousand ha.”

1.35 The Central Training Unit (CTU) is being planned to upgrade to the level of National Water Academy (NWA). The Committee enquired about the likely date by which it will be upgraded. The Ministry in their reply stated:

“The construction work for Academy building and ancillary infrastructure is progressing as per schedule and is likely to be completed by end of March 2001. The entire project of upgrading the Central Training Unit to National Water Academy (NWA) will however, be completed by the end of Ninth Plan in March, 2002.”

NATIONAL WATER DEVELOPMENT AGENCY

1.36 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.

1.37 During 2001-2002, NWDA will continue with topographical surveys for preparation of feasibility reports of all the links as mentioned in previous paras. In addition, it also proposes to take up topographical surveys for preparation of feasibility reports of Rajasthan-Sabarmati and Subernarekha-Mahanadi Link.

1.38 The following are the financial outlays for National Water Development Agency:-

(Rs. in crore)

Name of the Scheme/ Activity	Actuals 1999-2000		B.E. 2000-2001		R.E. 2000-2001		B.E. 2001-2002	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
National Water Development Agency	12.00	0.00	12.50	0.00	13.30	0.00	15.00	0.00

1.39 During the financial year 2000-2001 (plan) Budget allocation under National Water Development Agency was Rs.12.50 crore, however at the Revised Estimates stage it was increased to Rs.13.30 crore and for the year 2001-2002 budget allocation is Rs.15.00 crore. When asked about the reasons for increasing the Plan allocations at both the above stages, the Ministry stated:-

“Some vacant posts have been filled during the year 2000-01. Besides arrear payment of Rent & Security Deposit of office premises, payment of Consultancy

charges for survey & investigation to outside agencies viz CSMRS, NRSA, CWC etc have been effected. Therefore, the revised estimate for the year 2000-01 has been increased over the budget estimate.

During the financial year 2001-2002 provisions for salaries for the full year has been made for the vacant posts, which are expected to be filled up before 31.3.2001. Besides provision has also been made for survey & investigations and consultancy charges payable to different Govt. Agencies like CSMRS, CWC, GSI etc. It also includes the amount payable to NRSA, Hyderabad for topographical surveys for Inchamappli – Nagarjunsagar link Project. Therefore, provision made in the Budget Estimate 2001-2002 are on the basis of likely requirements of staff salaries and increased activities etc. of the Agency.”

1.40 NWDA was established in July 1982 to carry out the water balance and other related studies for optimum utilization of Water Resources of the Country for preparation of feasibility reports of water transfer links under National perspective plan. When asked about the details of the studies conducted by the Agency so far and the main findings of these studies, the Ministry in their reply stated:

“NWDA was established in July 1982 to carry out the water balance and other related studies for optimum utilization of Water Resources of the Country for preparation of feasibility reports of water transfer links under National Perspective Plan. The Plan comprises two components viz. Himalayan River Development Component & Peninsular River Development Component. The studies covered in Peninsular Component are water balance studies of 137 basins/sub-basins, 49 water balance studies at diversion points, 58 toposheet and storage capacity studies of reservoirs, 17 toposheet studies of link alignments and 17 prefeasibility reports of links. Out of these, 137 water balance studies of basins/sub-basins, 52 water balance studies of diversion points with 3 additional studies, 58 reservoir studies, 18 toposheet studies of link alignments with one additional study and 17 prefeasibility reports of links have been completed. The studies covered under Himalayan Rivers Development Component are : water balance studies at 19 diversion points, 16 toposheet and

storage capacity studies of reservoirs, 19 toposheet studies of links and 14 prefeasibility studies of links. All these studies have been completed by 1996-1997.

NWDA has also completed Feasibility Reports of Five Water transfer links under Peninsular Component. Field surveys and investigations for preparing feasibility reports of the 9 links under Peninsular Component and 7 Links under Himalayan Component are in progress.”

1.41 The Committee enquired as to when NWDA proposed to complete all the studies under National Perspective Plan. In reply the Ministry in a written note stated as under :

“Feasibility reports of all the links in the Peninsular Component, as per the mandate of NWDA, are planned to be completed by year 2003, except one link which will be completed by the year 2004. Feasibility reports of all the links under Himalayan Component are planned to be completed by the year 2007, except one link which will be completed by year 2008.”

Accelerated Irrigation Benefits Programmes

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

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

1.44 The projects covered under AIBP are monitored by Central Water Commission with the help of its regional offices situated all over the country. The releases of

subsequent instalments are based upon their reports. The funds are released by the Ministry of Finance on the recommendations of this Ministry.

1.45 The plan budgetary allocation for AIBP are given below.

(Rs.in crore)

Name of Scheme	Actual 1999-2000	B.E. 2000-2001	R.E. 2000-2001	B.E. 2000-2001
Accelerated Irrigation Benefit Programme	1460.80	1712.00	1712.00	2000.00

1.46 The plan budget allocation for Accelerated Irrigation Benefits Programme for 2000-2001 was pegged at Rs.1712.00 crore, however it has been enhanced to Rs.2000.00 crore for the year 2001-2002. When asked as to whether this fund was adequate to accelerate the pace of work under this scheme, the Ministry stated:

“The budget outlay for the year 2000-2001 is Rs.1712.00 crore and it is expected that the provision made under this programme will be fully utilised. Budget Estimate for the year 2001-2002 has been enhanced to Rs.2000.00 crore. This provision should be adequate to accelerate the pace of work as desired under this Programme.”

1.47 Enquired about the total fund requirement for achieving the ultimate potential covered under AIBP, the Ministry in their reply stated :

“The ultimate irrigation potential of the projects covered under AIBP is about 14,042 th. ha. out of which 5,469 th. ha. had been created before these projects were covered under AIBP. Potential created for these Projects under AIBP upto March, 2000 is 786 th. ha. Therefore, in order to cover about 7800 th. ha. balance potential, an amount of about Rs.38,500.00 crore will be required.”

1.48 In this connection, the Committee enquired about the number of projects likely to be completed and additional irrigation potential likely to be created under this programme during the IXth Plan. The Ministry in their reply stated as under:-

“About 20 projects are likely to be completed during the IX Plan. The additional irrigation potential likely to be created under this programme from all the projects during the IX Plan would be of the order of 1200 th. ha.”

1.49 The mid term appraisal of Ninth Plan in this regard has made the following observations:

Under the 1999 guidelines for accelerated Irrigation Benefits Programme(1999) major/medium irrigation projects which are in advanced stage of construction are to be considered for inclusion under this programme except irrigation projects in the initial stages of construction benefiting KBK districts of Orissa. On the basis of available information the following broad conclusions emerge :

Sl.No.	Items	Total	Stage of construction in terms of level of expenditure as% of LEC as on March, 1997		
			More than 75%	30% to 75%	Less than 30%
1.	No. of projects under AIBP	104	24	56	24
2.	Amount released(Rs. crores)	3173.52	437.47	1273.91	1462.14
3.	Physical benefits upto March, 99(000 hac.)	305.23	58.01	194.99	52.206

1.50 From the above it can be seen that the share of irrigation projects at advanced stage i.e. having expenditure level more than 75% is just 14% in the total AIBP funds released during the period 1996-2000. Similarly, out of 104 projects now under AIBP only 24 projects are in advanced stage of implementation. Similarly, the share of the projects at advance stage of implementation is less than 20% in total additional irrigation potential as reported to have been created by AIBP.

1.51 There is a need to avoid such distortions in the releases of AIBP funds. Before accepting an irrigation project for AIBP funding, Central Water Commission (CWC) in consultation with the State Governments should thoroughly examine the full portfolio of ongoing projects of the State to identify projects on the basis of their expenditure level as well as the criticality of the stage of implementation in order to fulfil the objective of AIBP to yield bulk benefit with the least investment.”

Minor Irrigation

1.52 Minor Irrigation Division is vested with the responsibility of policy formulation in the minor irrigation sector at the national level. The work of minor irrigation is taken up by several 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 Division also helps the State Governments in plan formulation in this sector and also in posing projects for external funding.

1.53 The financial outlays Actual 1999-2000, B.E. 2000-2001, R.E. 2000-2001 and B.E.2001-2002 under Minor Irrigation are given as under:-

(Rs.in crore)

Name of Scheme	Actual 1999-2000	B.E. 2000-2001	R.E. 2000-2001	B.E. 2001-2002
Minor Irrigation	66.74	97.27	100.67	96.58

1.54 Budget Outlays (Plan) for Minor Irrigation for 2000-2001 was made Rs.97.27 crore, however at the Revised Estimates stage it has been enhanced to Rs.100.67 crore. When asked about the reasons, the Ministry stated:-

“The allocation in R.E. 2000-2001 has been enhanced as it has been decided to take up 3rd Census of Minor Irrigation Statistics from 2000-2001 itself.”

1.55 The Committee wanted to know the additional irrigation potential created under Minor Irrigation during the year 2000-2001 and likely to be created for the year 2001-2002 i.e. till the end of IX Plan period. The Ministry stated in their reply:-

“Allocation made in the budget at Central level is meant for ground water development, overall resource planning, formulation of policies for exploitation of ground water and overseeing of support to State level activities in ground water development. All minor irrigation schemes are formulated and implemented in the States. However, the figures of potential created/likely to be created as per the Working Group discussion of the Planning Commission are as under:

(in million ha.)			
	<u>Year</u>	<u>Target</u>	<u>Achievements</u>
1.	2000-01	1.50	1.50 (prov.)
2.	2001-02	*	*

*Figures of targets for 2001-02 will be finalized by the Planning Commission only after State-wise Working Group discussions and finalisation of outlays of the State Sector.”

1.56 The Committee wanted to know as to whether the scheme for ‘Rehabilitation and Management of Minor Irrigation Scheme’ has been recast with more emphasis on people’s participation. The Ministry in their reply stated:

“Participatory Irrigation Scheme for Rehabilitation and Management of Minor Irrigation Projects” is a centrally sponsored scheme for rehabilitation of tanks. The total cost of the scheme is Rs.760.00 crore to be implemented from 2001-02 to 2005-06. The cost includes Rs.10.00 crore for establishment and other charges towards cost of seminars, training, development of infrastructure which is to be

borne by the Centre. The balance Rs.750.00 crore is to be shared in the ratio 75:25 between Centre and State Governments, the Centre's share being in the form of grant. 10% funds have been earmarked for Special Component Plan/Tribal Sub-Plan. The State Government's share includes 10% contribution from the beneficiaries which is in the form of voluntary labour and free material. The scheme is to be approved by the Planning Commission. As such a token provision of Rs.0.01 crore has been kept in the B.E. 2001-02."

1.57 When the Committee during evidence pointed out that the Ministry had proposed Rs.237 crore for Minor Irrigation to the Planning Commission but only Rs.84 crore was accepted by the Planning Commission, the Secretary (Water Resources) stated:

"It is true that we were in need of much fund, but the fund which has been accepted by the Planning Commission is less. The reason is that our many schemes of minor irrigation are under consideration of Planning Commission. According to Planning Commission, the fund will be provided to only those schemes of Minor Irrigation which have already been approved by the Planning Commission. As soon as the other schemes will get approved, the allocation of funds for these schemes will also be made available."

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:-

(Rs.in crore)

Centre	Ground	Plan BE 2000-2001	Plan RE 2000-2001	Plan BE 2001-2002
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Water Board			
	92.37	93.87	87.88

1.60 Plan Budget Estimates for Central Ground Water Board during the year 2000-2001 was Rs.92.37 crore, but it has been reduced to Rs.87.88 crore for the year 2001-2002. When asked about the reasons for drastically reducing the plan Budget allocation for Centre Ground Water Board, the Ministry stated:

“The plan budget allocation for the Central Ground Water Board has been reduced for the year 2001-02 under the revised IX plan outlay. The reduction in the budget allocation for the year 2001-02 will have some effect on the implementation of various schemes. However, the Ministry of Water Resources shall consider enhancing the budget allocation at the time of formulation of Revised Estimates depending upon the requirement and progress of the implementation of various schemes.”

1.61 The financial outlay for ‘Assistance to Drought affected States’ has been enhanced to Rs.15.25 cr. in B.E. (2001-2002) against Rs.7.50 cr. in R.E. (2000-2001). In this connection, the Committee enquired about the amount of assistance sought by various States under the programme. The Ministry in their reply stated as under:

“No direct assistance is provided by the Central Ground Water Board to the States under the scheme of Assistance to Drought Affected States. Under this scheme, exploratory drilling of tubewells is carried out by the Central Ground Water Board in the drought affected States. In the year 2001-02, the CGWB has launched a programme of accelerated exploration of ground water in five drought affected areas. The successful exploratory wells drilled by the CGWB are handed over to the States at a nominal cost for their utilisation for drinking, irrigation and other purposes.”

1.62 It has been noticed that the Ground Water Level is declining rapidly in many States. The artificial recharge scheme is an alternative solution to overcome this

problem, when asked about the steps taken by the Ministry in this regard, the Ministry stated:

“The Central Ground Water Board is implementing a Central Sector Scheme on “Studies on Artificial Recharge of Ground Water”. The Government have earmarked funds amounting to Rs. 25.00 crore for the scheme during the IX Five year Plan. Rain water harvesting is an integral part of this scheme. The scheme was initially implemented in the States of Maharashtra, Karnataka, Union Territory of Chandigarh and NCT of Delhi. The scheme has shown encouraging and positive results. The scheme covers the States of Andhra Pradesh, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh.

Ground Water Recharge Scheme for a cost of Rs. 101.50 crore was formulated by CGWB as a Centrally Sponsored Scheme. The scheme was prepared by CGWB and sent to the Planning Commission in August, 1994. Since then, the Planning Commission is seeking various clarifications. The latest clarification sought by the Planning Commission in January, 1999 was regarding the results of the studies being carried out by CGWB in regard to pilot artificial recharge studies of ground water. The results of so far completed artificial recharge studies were intimated to the Planning Commission in March, 2000. The response of the Planning Commission is awaited. The Ministry of Water Resources had written to the Planning Commission for early clearance of the scheme on 03.01.2001 and 12.03.2001. Hon’ble Minister(WR) had also written to the Deputy Chairman, Planning Commission on 21.03.2001 and had also met him for early clearance of the scheme.”

1.63 During evidence, the Committee enquired about the over all ground water position of the country and the survey work done so far in this regard. The representative of the Ministry stated as follows:-

“Each year, we take up 0.2 million square kilometers of area for ground water exploration survey regularly, to update the data. We have found out that we have a total area of 3 million square kilometers which has water bearing strata under ground. Unfortunately, the exploration part done so far is very less. There is one

well in 200 square kilometers. So, that is the information available with us. There is scarcity of water in drought prone areas. To accelerate exploration in that part, this year the Ministry has taken up a special programme to drill 1440 wells in the drought prone areas. It will serve two purposes. We know that in the drought prone areas because of less rainfall on-surface water bodies get dry but under ground, a good system is available for development.”

1.64 Though a localized phenomenon now, over-exploitation of ground water is steadily posing a serious concern in the overall ground water development and management in the country. With rapid expansion in ground water extraction the number of over exploited and dark blocks has increased over the years. As per Mid Term Appraisal in 1984-85 there were 253 dark blocks in the country. Now in 1998-99 the total no. of dark blocks have increased upto 428. In this connection, the Committee wanted to know factual position in this regard. The Secretary, MOWR during evidence informed:

“There are 470 districts and 5,711 blocks/mandals/talukas in the country. Out of that 310 blocks are over-exploited, that is, more than 100 per cent exploited and 160 blocks are dark blocks where ground water used is from 85 to 100 per cent. The survey has been done and this is the present position..”

1.65 The Committee pointed out that in UP six blocks were declared as dark block about 5-6 years back and now there was water logging problem in these blocks. The witness stated:

“Based on your information, we will get it resurveyed. We will ask the Central Ground Water Board to conduct a survey again and remove the water logging.”

Command Area Development Programme

1.66 The Command Area Development Programme was initiated in 1974-75 as a Centrally sponsored programme with the objective of ensuring efficient utilisation of created Irrigation potential for optimising agricultural production from irrigated lands. Presently there are 226 projects covered under the programme with a culturable Command Area of 21.95 m. ha. spread over 23 States and 2 Union Territories. During the year upto November, 2000, 18 projects having culturable command area of 557.84

thousand hectares have been deleted and 9 projects have been added under the Command Area Development Programme.

1.67 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.

1.68 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 25:25:50 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.

1.69 The budgetary allocation under Command Area Development (CAD) during the year 1999-2000, 2000-2001 and 2001-2002 are given as under:

(Rs.in crore)

Name of the Scheme/ Activity	Actuals 1999-2000		B.E. 2000-2001		R.E. 2000-2001		B.E. 2001-2002	
	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
Command Area Development Programme	165.92	0.00	160.88	0.00	119.74	0.00	187.19	0.00

1.70 Plan budget allocation during the year 2000-2001 for Command Area Development was Rs.160.88 crore, however, Rs.41.14 crore was slashed down at the

revised estimates stage. The Committee desired to know about the reasons for slashing down the plan allocation. The Ministry in their reply stated as under:

“Plan budget allocation during the year 2000-2001 for the CAD Programme was reduced by Rs.41.14 crore keeping in view the trend of expenditure at the time of finalisation of R.E. 2000-01. However, in view of the progress made by the States thereafter additional utilization has been about Rs.26.00 crore over the R.E. 2000-01. As such there will be no adverse impact on the achievement of the Programme. The State Governments have been requested to accelerate the pace of implementation of CAD Programme so that the available funds could be utilized in time. Moreover, monitoring of the programme has been intensified through the officers of the CAD wing of the Ministry, Central Water Commission and the consultancy firms.”

1.71 The physical performance under CAD has been as under:

(Unit in `000 ha.)

Item of Work	IX Plan Target	1997-98		1998-99		1999-2000		2000-2001	
		Achievement	%age achievement	Achievement	%age achievement	Achievement	%age achievement	Achievement (anticipated)	%age achievement
Field Channels	950	319	33.58	322	33.89	365	38.42	235	24.74
Warabandi	3000	422	14.07	334	11.13	253	8.43	600	20.00
Land Levelling and Shaping	-	11	-	23	-	23	-	22	-
Field Drains	100	28	28.00	65	65.00	66	6	35	35.00

1.72 The Committee enquired about the distribution of fund for various components under Command Area Development. The Ministry in a written note informed :

“The allocation of funds under the Programme is made on the basis of activities anticipated under different components. However, release to the State Governments is made on the basis of achievements made under different activities and the amount of Central assistance required against these achievements. This approach is being followed to meet the project specific requirement for efficient

utilisation of irrigation water. On an average 60 to 70% expenditure is incurred on core components of On - Farm - Development namely; field channels , field drains, warabandi and subsidy on land levelling and shaping and ground water development. About 20% of the cost of On-Farm-Development works is spent on the establishment and remaining on the other activities of the programme.”

1.73 Target under Warabandi was fixed 3000 nos. for 9th plan, but only 53.63 percent of the target could be achieved during the first four years of the Plan. Only one year is left to achieve the remaining 46.37 percent of the target. When asked about the reasons for such a poor performance under this scheme, the Ministry in their reply stated:

“Warabandi involves formation of water users’ associations, which is a time taking process. It is now picking up and the achievements of the targets is likely to be substantial.”

1.74 The state-wise number of water users association in the Country is given as under:

**STATEMENT SHOWING THE NUMBER OF WATER USERS’ ASSOCIATIONS
FORMED AND COMMAND AREA COVERED**

S.No.	Name of State	No. WUAs.	Approximate Area (‘ 000 ha)
1	Andhra Pradesh	10292	4800.00
2	Assam	2	1.00
3	Bihar	1	12.20
4	Goa	39	4.59
5	Gujarat	476	19.00
6	Haryana	554	110.80
7	Himachal Pradesh	875	35.00
8	Jammu and Kashmir	1	1.00
9	Karnataka	193	138.38
10	Kerala	3712	148.48
11	Madhya Pradesh	65	26.80
12	Maharashtra	142	55.80

13	Manipur	62	49.27
14	Orissa	88	34.31
15	Rajasthan	35	15.93
16	Tamil Nadu	328	426.40
17	Uttar Pradesh	1	0.25
18	West Bengal	10000	37.00
	TOTAL	26866	5916.21

(In the remaining Seven States, no progress has been reported on PIM)

FLOOD CONTROL

1.75 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.

1.76 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.

1.77 The following are the budget allocations for Flood control:

(Rs. in crores)

Name of the Scheme	Actual 1999-2000	BE 2000-2001	RE 2000-2001	BE 2001-02
Flood Control	68.99	154.87	144.36	148.85

1.78 The (Plan) budget estimates 2000-2001 for the scheme was Rs.154.87 crore which was slashed down to Rs.144.36 crore at the Revised Estimates stage. The Committee wanted to know from the Ministry about the reasons for slashing down the allocation drastically at the Revised Estimates stage and its impact on the scheme due to reduction in the allocation. The Ministry in their reply stated:

“The Plan budget allocation under Flood Control sector was reduced at Revised estimate stage because Cabinet Committee on Economic Affairs (CCEA) cleared the Pagladiya Dam project only during Dec. 2000. As a result, it was considered by the Ministry of Finance that the entire budget allocation of Rs.40.00 crore could not be utilised within the remaining three months of the financial year 2000-01. Accordingly, the allocation for Pagladiya Project was reduced to Rs.17.00 crore at the R.E. stage. However, an amount of Rs.24.82 crore is likely to be spent during 2000-01. Also, the allocation for Flood Control in Brahmaputra Valley has been reduced from Rs.30.00 crore (BE) to Rs.25.00 crore (RE), as the scheme is yet to be approved by the full Planning Commission.

The progress of other on-going approved schemes is not likely to be affected as there is a net increase in the flood sector at the Revised Estimates stage apart from the above said decreases.”

1.79 Budget Estimates (Plan) 2001-2002 for Flood Control is Rs.148.85 crore which is Rs.6.02 crore less than the last financial year 2000-2001. When asked whether these funds are adequate to carry out all the ongoing schemes under Flood Control, the Ministry stated:

“The approved allocation is not adequate to fulfill the total physical commitments under all the schemes. Certain new proposed schemes or, new studies under the ongoing approved schemes will not be taken up during 2001-02 in view of financial constraints. The thrust will be given to undertake and complete the ongoing approved schemes under the Continuing Plan Schemes, so that benefits from the locked up investments under the different schemes are available at the earliest.”

1.80 Financial outlay was enhanced substantially in the last financial year i.e. during 2000-2001 as against financial allocation in 1999-2000. When asked whether new schemes were taken up for implementation during the year 2000-2001 for which enhanced allocation was provided and details of these schemes and latest position in regard to their implementation, the Ministry stated as :

“Enhanced allocation compared to financial allocation in 1999-2000 was made in the flood sector during 2000-01 for undertaking following new schemes;

- a) Pagladiya Dam Project;
- b) Flood Control works in Brahmaputra Valley;
- c) Critical Anti-erosion works in Ganga basin States

Out of the above three schemes, Pagladiya Dam project in Assam and Critical Anti-erosion works in Ganga Basin States have been approved by the CCEA and EFC respectively. The proposed scheme ‘Flood Control works in Brahmaputra Valley’ is yet to be approved by the full Planning Commission. Pagladiya Dam Project in Assam is under execution by the Brahmaputra Board and an amount of Rs.24.82 crore has been released during the current year i.e. 2000-01. Land acquisition for Resettlement & Rehabilitation, setting up of Project Colony etc. has been initiated by the Board as well as Government of Assam.

During 2000-01, Rs.20.00 crore has been released under “Critical Anti-Erosion Works in Ganga Basin States” to U.P. and Bihar.”

BRAHMAPUTRA BOARD

1.81 The Brahmaputra Board has been investigating various multi-purpose projects viz. Pagladiya, Lohit, Jadukata, Someswari, Kulsi, Kameng, Bariabi, Debang and Noa-Dehang Dam Projects. The Board was also investigating Tipaimukh, Um-N-Got, Debang and Subansiri till last financial year. The Tipaimukh Project, for which TAC from the Ministry of Water Resources was obtained by Board, has been handed over to NEEPCO during 1999-2000 for execution. The investigation of Um-N-Got Project in Megalaya Government came out with alternative plan for the river. Also 6 nos. of projects were handed over to NHPC for further Investigation/execution from April, 2000.

1.82 Financial outlays under Brahmaputra Board are given as under :

(Rs. in crores)

Name of Scheme	Actual 1999-2000	BE 2000-2001	RE 2000-01	BE 2001-2002
Brahmaputra Board	15.43	15.50	17.40	20.00

1.83 Financial Outlays for Brahmaputra Board for the year 2000-2001 was Rs.15.50 crore, however, at the Revised Estimates stage it was enhanced to Rs.17.40 crore. In budget estimates 2001-2002 it has further been enhanced to Rs.20.00 crore. When asked about the reasons for enhancing allocation, the Ministry stated :

“The enhancement of allocation was proposed keeping in view of taking up 7(seven) new schemes for survey and investigation works. The work on these schemes is expected to be taken up during 2000-2001 and will continue till 2001-2002.”

Critical anti-erosion Works in Ganga Basin States

1.84 The Budgetary allocation (Plan) for Critical anti-erosion works in Ganga Basin States during the year 2000-2001 was earmarked at Rs.23.00 crore, however, it has been slashed down to Rs.20.00 crore for the year 2001-2002. The Committee enquired about scaling down the allocations. The Ministry in their reply stated as under :-

“The reduction in budgetary allocation from Rs. 23 crore to Rs.20 crore for the year 2001-2002 is based on the reduced amount allocated to the Ministry of Water Resources for next year.”

1.85 When asked whether the scheme ‘Critical anti-erosion Works in Ganga Basin States’ has since been approved by Planning Commission & CCEA, the Ministry stated as under :

“Planning Commission has conveyed ‘In principle approval’ for the scheme, viz., “Critical anti erosion woks in Ganga basin states and raising and strengthening of existing embankments along Kosi and Gandak rivers” vide their letter dated 24.2.2001and subsequently CCEA has approved scheme vide letter of Cabinet Secretariat dated 18.12.2000.”

1.86 The break up of Rs. 20 crore for the year 2000-2001 is as below:-

Uttar Pradesh (including Uttaranchal)-	Rs. 5.00 crore
Bihar	- Rs. 8.50 crore
West Bengal	- Rs. 6.50 crore

Total - Rs. 20.00 crore

Budget Estimate (BE) for the year 2001-2002 is Rs. 20.00 crore.”

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

1.87 The Plan Budget allocation for critical anti-erosion works in Coastal and other than Ganga Basin States during the year 2000-2001 was fixed at Rs.0.10 crore, however, it has been enhanced to Rs.10.00 crore at the Revised Estimates stage.

1.88 The following are the Plan budgetary allocations for Critical anti-erosion works in Coastal and other than Ganga Basin States:-

(Rs. in crores)

Name of Scheme	BE 2000-2001	RE 2000-2001	BE 2001-2002
Critical anti-erosion works in Coastal and other than Ganga Basin States	0.10	10.00	2.00

1.89 When asked as to why the allocation has been enhanced substantially at the Revised Estimates stage despite the scheme being not yet approved by the Planning Commission, the Ministry in their reply stated as follows :

“In – Principle Approval for Centrally Sponsored Scheme namely, “Critical anti erosion works in coastal and other than Ganga basin states” was conveyed by Planning Commission vide O.M. dated 19.4.2000. EFC has approved this Centrally Sponsored Scheme in September, 2000. Being a new scheme of the IXth Plan, approval of full Planning Commission is required for implementing the proposal. The scheme has been sent for approval of full Planning Commission whose response is still awaited. As the scheme was approved by EFC, RE for 2000-2001 was enhanced in anticipation of approval of full Planning Commission.”

Extension of embankments on Lalbakeya, Kamla, Bagmati and Khando rivers

1.90 The detailed budgetary allocation for Extension of embankments on Lalbakeya, Kamla, Bagmati and Khando rivers is as under:

(Rs. in crore)

Name of Scheme	Actual 1999-2000	B.E. 2000-2001	R.E. 2000-2001	B.E. 2001-2002
Extension of embankments on Lalbakeya, Kamla, Bagmati and Khando rivers	0.80	1.00	1.00	3.00

1.91 Budget Outlay (Plan) 2000-2001 for this scheme was Rs.1.00 crore for extension of embankments on Lalbakeya, Kamla, Bagmati and Khando rivers, however, this allocation has been enhanced to Rs.3.00 crore during the year 2001-2002. The Committee desired to know the reasons for enhancement of allocation under this scheme. The Ministry stated:

“This is a new IXth Plan scheme, titled “Extension of embankments on Lalbakeya, Kamla, Bagmati and Khando rivers”. The outlay for IXth Plan is Rs. 8.68 crore as approved by SFC. The raising and strengthening of existing embankments on Lalbakeya river has been taken up during 1998-99 and is continuing for the last three financial years. As the works of extension of embankments along Bagmati river has also started during the current financial year, the allocation for the year 2001-2002 is enhanced to Rs.3.00 crore.”

1.92 The issue relating to extension of embankments in India along Lalbakeya, Kamla, Bagmati and Khando rivers to prevent flood and inundation of areas at the border of two countries i.e. India and Nepal was agreed to since 1990. When asked about the reasons for not taking up the extension of embankments in these rivers despite of an

agreement arrived at in 1990 between India and Nepal, the Ministry in their reply stated as under:

“The extension of embankments for jacketing and channeling the rivers in Nepal portion of Lalbakeya, Kamla, Bagmati and Khando, in order to prevent flood and inundation of border areas between Nepal and India has also been taken up for implementation and for which funds have been released to HMGN by Ministry of External Affairs, Govt. of India for doing the work in Nepal territory.”

1.93 To a further query as to whether with this scheme they would be in a position to prevent floods and inundation in areas near the border of both the countries, the Ministry in their reply stated as under:

“Execution of these schemes is expected to help in protecting large areas and population from devastation during floods.”

1.94 During evidence the Committee pointed out that the rivers, which are coming from Nepal namely Lalbakeya, Kamla, Bagmati and Khando rivers are causing floods in the areas of Bihar and UP bordering Nepal and enquired about concrete steps taken so far to prevent floods in those areas. The Representatives of the Ministry stated as under:

“Large areas have been protected by building embankments. Bagmati and Lalbakeya have also been taken up. We have taken it up with the Bihar Government. This embankment can be done in our territory.....

Everybody knows about this problem. So far as Bihar and UP areas are concerned, we have to take concurrence of the Nepal Government also. A number of meetings have taken place but they are not fully co-operating with us. Only after a lot of discussions, now only on Pancheswar and Kosi, they have agreed to go ahead with the preparation of DPR for construction of dams. So, right now, we are taking action on that. For Pancheswar, already the work is going on. For Kosi, we hope that in another five, six months, it will be carried out. For other rivers, this will be taken as the first step in the right direction. Once they see the benefit from these two projects, probably they will allow for such dams to be constructed for the other river systems also. But unless and until

the Nepal Government co-operates with us, it will not be possible to completely tackle this situation.”

Setluj Yamuna Link Canal Project

1.95 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 has since 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. However, the revised estimates are yet to be approved by the Cabinet. Since the work is at standstill, no further amounts have been released.

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

(Rs.in crore)				
Name of Project	Actual 1999-2000	BE 2000-2001	RE 2000-2001	BE 2001-2002
Sutlej Yamuna Link Canal Project	0.00	8.00	1.00	8.00

1.97 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 have stated that :-

“Construction, operation and maintenance of canals is the responsibility of States who are required to provide funds for the purpose from their own resources. However Central grant-in-aid was provided as special case for the construction of SYL Canal in Punjab portion. The works on the Punjab portion of the Canal came to a standstill in July 1990. Soon after, Govt. of Punjab was requested to resume the works. In a meeting convened by Hon’ble Minister (Water Resources) on 29-30 July and 6th August 1992, it was decided that the works shall be recommenced as soon as a new agreement was signed. However, despite the best efforts of this Ministry, another meeting could not be convened. Subsequent efforts made to hold meetings with Punjab officials during January 1995 also did not succeed.

As there was no headway, the Govt. of Haryana filed a Suit in the Supreme Court of India during November 1995 (later refilled in 1996) praying for immediate resumption and completion of SYL Canal. The matter therefore became, and is, sub-judice in the Apex Court. The issue of allocation of the waters of the Ravi & Beas Rivers among Punjab and Haryana, which inter-alia also concerns the necessity of the SYL Canal, is also sub-judice before the Ravi and Beas Waters Tribunal which is yet to furnish its final report in the matter. The Govt. of Punjab has therefore taken a stand that the matter is sub-judice.

Without prejudice to the outcome of the sub-judice matters, the Union Govt. has been pursuing its efforts to find an amicable solution to the issues. Accordingly, the Hon'ble Minister wrote to the Deputy Chairman, Planning Commission on 14.7.1998 and 17.2.1999 to convene a meeting of the Chief Ministers of Punjab, Haryana and Rajasthan to discuss their water related issues including completion of SYL Canal and endeavour to arrive at a negotiated settlement among them. After the formation of the present Govt. at the Centre, Planning Commission conveyed that the Hon'ble Minister (WR) might more appropriately hold the meeting. Efforts have also been made by Hon'ble Minister (WR) to convene the meeting on 2.2.2000 which was deferred due to administrative reasons and subsequently on 11.9.2000 which was also postpone as the Govt. of Punjab had expressed the inability of their Chief Minister to visit New Delhi till the end of September 2000 due to pre-engagements. Subsequently, Minister (WR) wrote to the Chief Minister on 18.9.2000 to indicate a suitable date convenient to him for the meeting. The Govt. of Punjab has also been reminded regarding the matter and a convenient date is awaited.

Provision of funds has to be kept in the budget as the works may have to be taken up immediately if a decision is so taken either by Supreme Court order or in the proposed meeting. However the provision is reviewed at RE stage keeping in view the likely fund requirement over the remaining period of the financial year.”

NATIONAL PROJECTS CONSTRUCTION CORPORATION LIMITED

1.98 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 3204. Voluntary Retirement Scheme is in vogue since 1992 to reduce the surplus manpower. 2267 employees have taken retirement under this Scheme and an amount of Rs.47.07 crore has been utilized.

1.99 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, 2000 were Rs.361.39 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.

1.100 The Ministry sent a Cabinet Note for revival of the Company based on the report of a Consultant (M/s Batliboi) to the Prime Minister's Office in June 1999 (for approval of the Hon'ble Prime Minister as Minister-in-charge of this Ministry). As desired by that office, M/s IDBI was engaged to evaluate the revival plan suggested by M/s Batliboi. The report of M/s IDBI has been received and is under process for further action.

1.101 The Budgetary allocation for National Projects Construction Corporation during the years 1999-2000 actual expenditure 2000-2001 BE, 2000-2001 RE and 2001-2002 BE are given below:-

(Rs. in crore)

Name of the Scheme/ Activity	Actuals 1999-2000		B.E. 2000-2001		R.E. 2000-2001		B.E. 2001-2002	
	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan	Plan	Non Plan
National Projects Construction Corporation Limited	2.00	10.00	1.80	5.00	2.00	20.00	1.00	14.00
Voluntary Retirement Scheme	6.00	-----	7.75	-----	7.75	-----	0.00	0.00

1.102 During evidence the Committee desired to know from the Secretary (Water Resources) the present state of affairs of the Corporation. The witness stated:

“The NPCC has a huge manpower that is idle. They do not have enough funds. That is the reason why they are not able to make profit. In fact, there are losses of about Rs.48 crore during 2000-2001. We are not able to retrench those people because of various factors. But salary has to be paid to them.”

1.103 When asked about the steps taken by the Ministry on the revival plan of NPCC as suggested by IDBI, the Secretary during evidence stated:

“This report has been submitted a few months back. Now, we are preparing a note for the Cabinet. We will go to the Cabinet for the revival plan, as recommended by the IDBI after a detailed study of that undertaking. They have given various recommendations. The details are available in that report. We would go to the Government for revival package.”

Transport Sector

FARAKKA BARRAGE PROJECT

1.104 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 Regulator 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.

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

1.106 The Financial allocation and actual expenditure incurred during the years 1999, 2000, 2001 and 2002 are given as under:

(Rs. in crore)

Name of the Scheme/Activity	Actual 1999-2000		BE 2000-2001		RE 2000-2001		BE 2000-2001	
	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan	Plan	N.Plan
Farakka Barrage Project	19.39	19.78	21.50	21.39	21.50	21.64	21.50	21.47

1.107 The fund earmarked for Farakka Barrage during the year 2001-2002 is not sufficient as there is severe erosional problems at different points affecting National Highways, Railway Tracks and many important towns. Even the Committee in their 10th

Report had recommended to allocate funds for anti-erosion work for Farrakka Barrage Project as per the expert Committee's Report to meet the serious challenges of erosion. When asked about the reasons for not implementing the recommendation and whether the allocation of Rs.21.50 cr. in B.E. (2001-2002) for Farrkka Barrage Project is adequate , the Ministry stated as under :

“Based on the report of an Expert Committee which inspected some of the critical reaches affected by erosion along the river Ganga in January, 2000, the Ministry of Water Resources has got a scheme costing Rs.159.33 crore sanctioned in January 2001 for taking up critical anti-erosion works in Ganga basin states (West Bengal, Bihar and Uttar Pradesh) and raising and strengthening of existing embankments along Kosi and Gandak rivers in IX Five Year Plan. The allocation of Rs.21.50 crore in B.E. 2001-02 for Farakka Barrage Project is made based on the over-all allocation made by the Planning Commission. Keeping in view the progress of work, any additional requirement will be considered at the R.E. stage.”

PART II

RECOMMENDATIONS/OBSERVATIONS

RECOMMENDATION NO.1

Less Allocation

2.1 The Committee find that Ministry of Water Resources had proposed an outlay of Rs.863.98 cr. for the year 2001-2002 to meet the requirements of the on going schemes as well as proposed new pipeline schemes. However, a reduced allocation of Rs.512 cr. has been made for 2001-2002, which is grossly inadequate and would adversely affect the on-going schemes and also restrict the initiation new/pipeline schemes by the Ministry.

The Committee are unhappy to note that in the Minor Irrigation sector and Floor Control sector, the allocation have been reduced drastically as only 35% and

50% of the proposed allocation has been made which will adversely affect the various on-going schemes under these sectors. As water is fundamental necessity for human beings and is an essential input for agriculture, water resources development needs to be given the highest priority.

The Committee, therefore, strongly recommend to the Planning Commission and the Ministry of Finance to increase the Plan outlays at RE stage for the Ministry of Water Resources to Rs. 863.98 crore as originally proposed by them so that all round development of water resources in the country is not hampered.

RECOMMENDATION NO. 2

National Water Policy

2.2 The Committee are unhappy to note that the finalisation of revised National Water Policy is pending since a very long time. The Committee were informed that the 4th Meeting of the National Water Resources Council under the Chairmanship of Hon'ble Prime Minister was held on 7th July, 2000 for adoption of revised National Water Policy. During the meeting, the deliberations established a broad consensus among the States on most of the issues contained in the proposed policy. However, there were some areas of differences. The Committee were also informed that the Working Group has been constituted under the Chairmanship of the Union Minister of Water Resources on 9th October, 2000 with Ministers from all the States and Lt. Governor/Administrator of Union Territories to examine the draft revised National Water Policy.

The Committee desire that the Working Group should hold regular meetings and arrive at a meaningful consensus on areas of differences at the earliest, so that the National Water Policy is finalised without any further loss of time.

RECOMMENDATION NO. 3

Central Water Commission

2.3 The Committee note that the budgetary allocation for Central Water Commission during the year 2000-2001 was fixed at Rs.19.89 crore, however, it has been reduced to Rs.18.00 crore at the Revised Estimates stage. The Committee have been informed that a provision of Rs.2.99 crore was kept in the B.E. 2000 for three proposed new schemes of CWC viz, i) consolidation of Dam Safety Assurance Programme; ii) Development of Human Resource and Professional Expertise; and iii) setting up of specialized units in HE Designs, Pump Storage and Instrumentation. As the schemes were not approved, the allocations for the schemes were not made. In the opinion of the Committee these schemes are very important to develop the water resources in the country. They, therefore, strongly recommend to the Ministry of Water Resources to invigourate these schemes again and pursue with the Planning Commission vigorously for their early approval.

RECOMMENDATION NO. 4

National Water Development Agency(NWDA)

2.4 National Water Development Agency (NWDA) was established in July 1982 to carry out the water balance and other related studies for optimum utilization of Water Resources of the country for preparation of feasibility reports of water transfer links under National perspective plan, which comprised of two components namely Himalayan Rivers Component and Peninsular Rivers Component. The Committee are informed that National Water Development Agency (NWDA) has completed Feasibility Reports of Five Water transfer links under Peninsular Component. Field survey and investigations for preparing feasibility reports of the 9 links under peninsular component and 7 links under Himalayan Component are in progress.

The Committee desire that the Government should consider the feasibility of limited implementation of water transfer links, where the studies have been completed so that the benefits of conducting such studies reach the ultimate beneficiaries i.e the people of the country.

RECOMMENDATION NO. 5

Accelerated Irrigation Benefit Programme(AIBP)

2.5 The Committee note that Accelerated Irrigation Benefit Programme(AIBP) was launched by the Central Government in 1996-97 for expeditious completion of projects which are in the advanced stage of completion. Since the launching of this programme in 1996-2000, an amount of Rs. 5239.702 crore has been released upto February, 2001. The Committee have been informed that only 20 projects are likely to be completed during the IX Plan out of 104 projects that have been included under AIBP.

The Committee note that according to mid-term appraisal of Ninth Plan out of 104 projects now under AIBP only 24 projects are in advanced stage of implementation and the share of irrigation projects at advanced stage i.e. having expenditure level more than 75% is just 14% in the total AIBP funds released during the period 1996-2000.

The Committee feel that this defeats the very objective of the scheme. More funds should have been given to projects in advanced stage of completion so that they are completed expeditiously and with comparatively small investment benefits start flowing to farmer community.

The Committee recommend the Ministry to review critically the progress of all the on-going schemes under AIBP and recommend only those projects for further release of funds which fulfill the objective of AIBP. There should be a time bound programme for their completion so as to yield benefits from the investments that have already been made.

RECOMMENDATION NO. 6

Minor Irrigation

2.6 The Committee are constrained to note that the Ministry of Water Resources had proposed Rs. 237.16 crore for Minor Irrigation during the year 2001-2002, but, the Planning Commission sanctioned only Rs. 84.58 crore. According to the Ministry three schemes viz. Ground Water Survey, Exploration & Investigation, assistance to Drought affected States & Artificial Recharge & Ground Water will be severely affected due to reduced outlay. The Committee are of the view that these

schemes are very important especially when there are reports of widespread receding of ground water level and also in some of the states it has receded to drought like conditions. The Committee also wish to point out the need of developing minor irrigation as it is most effective and eco-friendly method to ensure all time availability of water at low costs. Capital required to create one hectare potential through major & medium project is Rs.98495 but through minor project it is only Rs.10051. The Committee, therefore, strongly recommend that the Government should give proper attention to this sector and enhance the allocation as originally proposed by the Ministry.

The Committee have been informed that the scheme 'Restoration of old Tank' has been recast with more emphasis on people's participation but this scheme is still pending for approval with the Planning Commission despite this Committee's repeated recommendation to get the scheme approved at the earliest.

The Committee, therefore, once again strongly recommend to Ministry of Water Resources to pursue with Planning Commission vigorously for early clearance of the scheme.

RECOMMENDATION NO. 7

Desilting of old Rivers and Strengthening of Bunds

2.7 The Committee find that large areas of the country are affected by floods every year. In their last Report on DFG 1999-2000, the Committee had suggested that a scheme for desilting of old rivers and strengthening of bunds be chalked out and placed before Planning Commission for approval. During evidence, the Secretary of Ministry informed the Committee that desilting of rivers was not feasible on techno-economic consideration. The Committee are not convinced with the argument put forward by the Secretary, Ministry of Water resources. They desire that a high level Scientific Committee comprising of experts in the field be appointed to study the problem of silting in rivers and give suitable recommendation to control floods as also to suggest appropriate measures for desilting of rivers.

RECOMMENDATION NO. 8
Artificial Ground Water Recharge

2.8 The Committee are distressed to note that Centrally Sponsored Scheme on Artificial Ground Water Recharge has still not been approved by the Planning Commission though there are widespread reports of depleting ground water level in various States. The Pilot scheme on Artificial Recharge of Ground Water under which 1-2 schemes has been taken for implementation in all the States have shown very good results. The Committee in their last Report on Demands for Grants (1999-2000) had strongly recommended that in view of encouraging result of the Pilot schemes, Planning Commission should clear the Centrally Sponsored Scheme urgently. In spite of, the Planning Commission has chosen to lower the allocation for this programme. The Committee, therefore, strongly recommend again that the scheme be cleared without any further loss of time so that depletion of water level is contained in affected States.

The Committee find that due to drought condition in M.P. and Rajasthan in the last 2 years, water level in these states have also gone down alarmingly. The Committee desire the Ministry to formulate suitable schemes/plans in this regard on priority basis and get them approved by the Planning Commission at the earliest.

RECOMMENDATION NO. 9

Dark/Overexploited Blocks

2.9 The Committee note with serious concern the increase in number of dark/overexploited blocks from 253 during 1984-85 to 428 in 1998-99. They, however, observe that some blocks which were notified as dark some years ago and where installation of tube-wells were banned, have subsequently become white blocks with the problem of water logging. The Committee, therefore, recommend that a mechanism should be put in place to survey the blocks every 2-3 years so that the change in water level position is taken note of and the farmers can take up the crop system/ pattern accordingly.

RECOMMENDATION NO. 10

Command Area Development Programme

2.10 The Committee are unhappy to note that the Plan budget allocation for Command Area Development of Rs. 160.88 crores for 2000-2001, has been reduced to Rs. 119.74 crore at the Revised Estimates stage due to low utilization of funds by State Governments. An enhanced allocation of Rs.178.00 crores in B.E. 2001-2002 has been earmarked for this scheme. The Committee feel that there is no point in making enhanced allocation when the Ministry is not able to ensure full utilization of available funds. Command Area Development programme is an important scheme to increase efficient utilization of irrigation water and improve agriculture productivity in irrigation commands. The Committee recommend that intensive monitoring of CAD programme should be done by the Ministry to increase the pace of implementation of the programme so as to justify the enhanced allocation for the project during 2001-2002.

The Committee are concerned over the slow progress of formation of 'Water Users Association' in Irrigation Commands. Excepting in two states, Andhra Pradesh and West Bengal the number of Water User Associations formed are very less. The Committee, therefore, desire that to encourage formation of Water Users Associations more incentives together with proper technical & financial support and training be given to the farmers and CAD functionaries.

RECOMMENDATION NO. 11

Floods in Rivers coming from Nepal

2.11 The Committee find that rivers coming from Nepal namely Lalbakeya, Bhagmati and Kamla create floods in North Bihar, thereby incurring large scale inundation and damages to crops, lands, livestock and many other valuable infrastructures. The Central Government had formulated a scheme for extension of embankments on these rivers and provided financial assistance to the Bihar Government because the implementation part is the responsibility of the host

Government. The Committee have been informed during evidence that some work has been done on Lalbakeya, but no work has done on Bhagmati. The Committee desire that in view of large scale devastation by these rivers, the embankment scheme should be taken up at the earliest to protect the crops, lands, livestock etc. along the area bordering Nepal.

The Committee have also been informed that negotiations with Nepalese Government is going on to control water of rivers viz. Kosi, Gandak and Ghagra. The Committee desire that the Central Government should persuade Nepalese Government to take up works on Kosi High Dam projects at the earliest so as to have a permanent solution to flood problems in Bihar and U.P.

RECOMMENDATION NO. 12

Sutlej Yamuna Link Canal Project

2.12 The Committee are unhappy to note that the hundred per cent Centrally funded Sutlej Yamuna Link Canal Project, which is already about 90% physically completed is pending for completion since 1990. Every year provision of fund is made for this project, but no expenditure is being incurred under this project, since the work is at a standstill. The Committee feel that concerted efforts have not been made by the Government in this regard, despite their repeatedly recommendations year after year to settle the issue at the earliest.

The Committee, therefore, once again strongly recommend to the Ministry of Water Resources to make sincere and vigorous efforts to settle the issue relating to Sutlej Yamuna Link Canal Project urgently so that the benefit of this project reach the people of Punjab, Haryana and Rajasthan.

RECOMMENDATION NO. 13

National Project Construction Corporation Ltd.

2.13 The Committee are constrained to note that the issue of revival of NPCC is hanging fire for such a long time. In the absence of any decision, a huge surplus work force of 1400 is sitting idle without a tangible work and being paid regular salaries. A non plan expenditure of Rs.10.00 crore, Rs. 5.00 crore and Rs.14.00 has been incurred during 1999-2000, 2000-2001 and 2001-2002 respectively on payment

of salaries to these employees as idle wages. The Committee are informed that IDBI which was studying the revival plan had submitted the Report and the Ministry is preparing a note for the Cabinet. The Committee, therefore, recommend that since the matter has already been delayed considerably with several notes already been submitted to the Cabinet, an all out efforts should be made by Ministry to get it approved and implemented urgently.

New Delhi;

11th April, 2001

21 Chaitra, 1923 (Saka)

S.S. PALANIMANICKAM,

Chairman,

Standing Committee on Agriculture