

GOVERNMENT OF INDIA
MINISTRY OF JAL SHAKTI
DEPARTMENT OF WATER RESOURCES, RIVER DEVELOPMENT & GANGA REJUVENATION
RAJYA SABHA

UNSTARRED QUESTION NO. 1194

ANSWERED ON 31.07.2023

CLEARANCE FOR REVISED COST ESTIMATE II (RCE-II) OF POLAVARAM IRRIGATION PROJECT

1194. SHRI V. VIJAYASAI REDDY

Will the Minister of **JAL SHAKTI** be pleased to state:

- (a) whether the investment clearance for Revised Cost Estimate II (RCE-II) of ₹ 55,548.87 crore for the Polavaram Irrigation Project as approved by Technical Advisory Committee is still pending;
- (b) if so, the details thereof;
- (c) the steps taken by Government to provide expeditious clearance;
- (d) whether Government has not clubbed the drinking water component with irrigation component despite it being unprecedented to do so in projects of National Importance;
- (e) if so, the details thereof; and
- (f) whether Government intends to remove component wise restrictions and ensure optimizations of reimbursement to less than 15 days?

ANSWER

THE MINISTER OF STATE FOR JAL SHAKTI

(SHRI BISHWESWAR TUDU)

(a) to (c) The second Revised Cost Estimate (RCE-II) of Polavaram Irrigation Project (PIP) for Rs. 55,548.87 crore at 2017-18 price level, was accepted by Advisory Committee on Irrigation, Flood Control and Multipurpose Projects of Department of Water Resources, River Development & Ganga Rejuvenation, Ministry of Jal Shakti, in its 141st meeting held in February, 2019. Subsequently, the Revised Cost Committee (RCC) recommended restricting the RCE to Rs. 47,725.74 crore at 2017-18 price level.

Thereafter, Government of Andhra Pradesh submitted the proposal for investment clearance for RCE-II to Polavaram Project Authority (PPA) in December, 2020. PPA sought certain additional information/ compliance from the State Government on the same, primarily requiring the State Government to undertake socio-economic survey, prepare detailed project report of distributary network, formulate revised construction schedule, etc. However, the State Government has not provided the requisite documents/ compliances inspite of repeated reminders.

(d) & (e) Ministry of Finance, Government of India, vide OM dated 30.09.2016, has conveyed approval for providing 100% of the remaining cost of the irrigation component only of the project for the period starting from 01.04.2014. Accordingly, the expenditure of PIP being reimbursed to the State Government is restricted to irrigation component only.

However, Department of Expenditure, Ministry of Finance, vide Office Memorandum dated 05.06.2023, has communicated no objection to additional funding for completing the balance work of PIP for filling of water up to 41.15 meters amounting to Rs.10,911.15 crore and Rs.2,000 crore for cost of repairing damages caused to PIP by flood being considered by the Government of India, subject to the approval of the Cabinet, by modifying the earlier Cabinet decision. The present no objection does not exclude proposed expenditure on the drinking water component.

(f) Vide OM dated 05.06.2023, Department of Expenditure, Government of India has conveyed its no objection to remove the component wise ceiling for PIP. Further, in order to avoid delays in reimbursement of bills recommended by Polavaram Project Authority (PPA) and Central Water Commission (CWC) to Government of Andhra Pradesh, close monitoring is done at Government of India level.
