

GOVERNMENT OF INDIA
MINISTRY OF JAL SHAKTI,
DEPARTMENT OF WATER RESOURCES, RIVER DEVELOPMENT & GANGA REJUVENATION
LOK SABHA
UNSTARRED QUESTION NO. 1916
ANSWERED ON 22.09.2020

REVOLVING FUND UNDER POLAVARAM PROJECT AUTHORITY

1916. SHRI MARGANI BHARAT

Will the Minister of JAL SHAKTI be pleased to state:

- (a) whether it is a fact that Government of Andhra Pradesh has requested to the Union Government for creating a revolving fund under Polavaram Project Authority for hassle-free flow of reimbursement of expenditure made by the State and if so, the details thereof;
- (b) whether the Union Government has given any thought on the said proposal of the State Government;
- (c) if so, the details thereof; and
- (d) the steps taken to reimburse the funds already spent by the State immediately?

ANSWER

THE MINISTER OF STATE FOR JAL SHAKTI & SOCIAL JUSTICE AND EMPOWERMENT

(SHRI RATTAN LAL KATARIA)

(a) to (d) A letter written by the Hon'ble Chief Minister, Andhra Pradesh regarding creation of Revolving Fund under Polavaram Project Authority (PPA) has been received in the Deptt on 15.09.2020.

Ministry of Finance, Government of India vide its letter dated 30.09.2016 informed that it will provide 100% of the remaining cost of the irrigation component only of the Polavaram Irrigation Project (PIP) for the period starting from 01.04.2014, to the extent of the cost of the irrigation component on the date.

A Memorandum of Agreement has been signed between the NABARD, National Water Development Agency (NWDA) and the then Min of Water Resources, River Development & Ganga Rejuvenation (now Deptt of WR, RD & GR) in May, 2018 for funding of PIP. Accordingly, funds are released for the PIP through NABARD from time to time as per approval given by Ministry of Finance (MoF) upon receipt of verified bills and recommendations from the Polavaram Project Authority (PPA) and Central Water Commission (CWC).

As per information available with Polavaram Project Authority, State Govt has claimed to have incurred Rs 12505.94 Cr on the project from April 2014 to July, 2020. Out of this, bills amounting to Rs.760.118 Cr have not been found eligible by PPA for reimbursement and bills amounting to Rs. 478.95 Cr have not been received. Central Assistance of Rs.8614.16 Cr (including Rs.1850 Cr in February, 2020) has been released from time to time to the project since April, 2014.

For further release of funds, Ministry of Finance vide its letters dated 26.07.2018 and 06.05.2019 has requested for submission of- (i) Audited Statement of Expenditure incurred by the State on the project till 31.03.2014, & (ii) Revised Cost Estimates (RCE) of the project at 2013-14 Price Level (PL). The Govt of AP vide its letter dated 21.08.2020 has submitted the Audited Accounts of Expenditure as on 31.03.2014. Also, Revised Cost Committee (RCC) constituted for firming up Revised Cost Estimate has submitted its report. Further release of fund for PIP is dependent upon fulfillment of requirements in the said submissions and acceptance of the same.
