

## State Specific Findings



# 10

- 10.1 Andhra Pradesh
- 10.2 Arunachal Pradesh
- 10.3 Assam
- 10.4 Bihar
- 10.5 Chhattisgarh
- 10.6 Gujarat
- 10.7 Haryana
- 10.8 Himachal Pradesh
- 10.9 Jammu & Kashmir
- 10.10 Jharkhand
- 10.11 Karnataka
- 10.12 Kerala
- 10.13 Madhya Pradesh
- 10.14 Maharashtra
- 10.15 Manipur
- 10.16 Meghalaya
- 10.17 Mizoram
- 10.18 Nagaland
- 10.19 Orissa
- 10.20 Punjab
- 10.21 Rajasthan
- 10.22 Sikkim
- 10.23 Tripura
- 10.24 Uttar Pradesh
- 10.25 Uttarakhand
- 10.26 West Bengal

# ANDHRA PRADESH



LEGEND	
State Capital	
State Boundary	
District Boundary	
Major Irrigation Projects	
Medium Irrigation Projects	





### 10.1.1 Background

During 1996-2008, GoI sanctioned 30 major/ medium irrigation projects and 61 minor irrigation projects in Andhra Pradesh, and released Rs. 2662 crore and Rs. 27 crore respectively towards these projects. Of these, a sample of 7 major/ medium irrigation projects and 10 minor irrigation projects was selected for detailed audit scrutiny:

### 10.1.2 Overall Status of Reported Completion of Projects

Of the total of 30 major/ medium irrigation projects 11 projects were sanctioned between 1996-97 and 2004-05, and Rs. 956.89 crore of GoI assistance was provided during 1996-2005. However, only six of these projects were reportedly complete, and five projects were still incomplete/ non-commissioned – one completed but not commissioned, two abandoned and one ongoing. Even in the case of the six completed projects, there were time overruns of one to five years, as detailed below:

**Table S1 - Status of AIBP projects in Andhra Pradesh sanctioned upto 2004-05**

S.No.	Name of Project	Type	Year of Sanction	Status	Remarks
1	Sriramsagar Stage-I	Major	1996-97	Commissioned	Delay of 5 years in completion
2	Cheyzeru(Annamaya)	Medium	1996-97	Commissioned	Delay of 2 years in completion
3	Jurala (VI)	Major	1997-98	Commissioned	Delay of 4 years in completion
4	Somasila	Major	1997-98	Completed but not functioning/ commissioned	—
5	Nagarjunasagar (III)	Major	1998-99	Commissioned	Delay of 3 years in completion
6	Madduvalasa (V)	Medium	1998-99	Commissioned	Delay of 1 years in completion
7	Gundalavagu (V)	Medium	2000-01	Abandoned	—
8	Maddigeda (V)	Medium	2000-01	Ongoing	Work still in progress
9	Kanupur canal (III)	Medium	2000-01	Abandoned	—
10	Yerrakaluva (V)	Medium	2000-01	Ongoing	Work still in progress
11	Vamsedhera phase I	Major	2002-03	Commissioned	Delay of 1 year in completion

Despite the poor progress of projects sanctioned during 1996-2005, 19 new projects were added under AIBP during 2005-08, and received GoI assistance of Rs. 1731.65 crore during this period; of these, none of the projects were reportedly complete. By contrast, the 11 projects sanctioned earlier

**Chapter - 10**State  
Specific  
FindingsAndhra  
Pradesh

under AIBP received GoI assistance of only Rs. 24.57 crore during the same period. The issue of certain states (including Andhra Pradesh) cornering the vast majority of AIBP funds during 2005-08, without linkages to the completion of AIBP projects and providing an incentive for inclusion of AIBP projects driven by construction work, has already been highlighted in para 7.1 of the report. This, further, shows lack of commitment by the state government in completing the older projects sanctioned under AIBP, with attention being focused on inclusion of fresh projects under AIBP and receipt of GoI assistance therefor.

As regards MI projects, only two of the 61 minor irrigation projects, which were taken up in 2006-07, were reportedly complete as of September 2008.

**10.1.3 Status of Completion of Test-Checked Projects**

Of the seven test-checked major/ medium irrigation projects, four projects i.e. Thotapalli barrage, Komaram Bhim, Ralivagu and Yerrakaluva were still incomplete, while three projects (SRSP Stage-I, Veligallu Project<sup>19</sup>, and Alisagar LIS) were reportedly complete. However, audit scrutiny of the reportedly complete projects revealed the following:

- In respect of the Veligallu project, there was 100 per cent shortfall in reported creation of irrigation potential (vis-à-vis the target) due to non-completion of rehabilitation & resettlement works. In respect of SRSP Stage-I and Alisagar LIS, the reported creation of irrigation potential could not be verified, as no supporting ayacut registers, water release schedules etc. were maintained by the Water Users Associations.
- There was variation in the figures of IP created reported by the State Government and MoWR as detailed below:

**Table S2 - Variation in IP creation in respect of AIBP projects in Andhra Pradesh**

S.No.	Name of Project	As reported by State Government to Audit		As per MoWR Report	Difference in IP created	Audit Findings
		IP targeted upto March 2008	IP created upto March 2008	IP created upto March 2008		
1	SRSP Stage-I, Karimnagar	122560 ha	115972 ha	117910 ha	1938 ha	No supporting ayacut registers, water release schedules etc., were maintained by the Water Users Association (WUAs).
2	Alisagar Lift Irrigation Scheme, Nizamabad	21769 ha	18473 ha	21769 ha	3296 ha	There was no new IP creation, as this Lift irrigation scheme was only stabilizing/ supplementing the source of existing ayacuts. Further, no supporting ayacut registers, water release schedules etc., were maintained by the Water Users Association (WUAs).

<sup>19</sup> The project was declared complete by MoWR; however, this was not shown complete in the records of the state implementing agencies.

Photographs of two Ongoing AIBP projects in Andhra Pradesh as of September 2008



Ongoing canal work in Yerrakaluva Project, West Godavari District



Ongoing work at Thotapally Barrage Project, Vizianagaram District

**Chapter - 10**

State  
Specific  
Findings

**Andhra  
Pradesh**



**Chapter - 10**State  
Specific  
Findings**Andhra  
Pradesh**

- The project completion certificates in respect of the Alisagar LIS had not been prepared as of September 2008.

Out of 10 test-checked Minor Irrigation Projects:

- Only two projects (Formation of new tanks at Nambala and Thugeda villages of Adilabad district) were completed. However, completion reports had not been issued as of September 2008, as no water was released to the fields due to non-construction of field channels, despite water being impounded in the tanks. Thus, even these two complete projects were not delivering the intended benefits. The remaining 8 projects were still incomplete as summarised below:

**Table S3 - Incomplete MI Projects test-checked in Andhra Pradesh**

S.No.	Name of Project	Date of Start	Target date of Completion	Status as on Sep-2008	Reasons for non completion/ being non-functional
1	Formation of new tank across Mangli varrey near Nambala (V) Adilabad District	11.07.2006	10.07.2007	Work in progress	Completion reports had not been submitted. No water was released to the fields due to non-construction of field channels
2	Formation of new tank Rechini Ragadi near Rebbana (V) Adilabad District	16.07.2006	15.01.2007	Work in progress	—
3	Formation of new tank across Kankilavorre near Marrigudem (V) Adilabad District	21.02.2008	20.02.2009	Work in progress	Due to non-acquisition of land, the work had not commenced as of September 2008.
4	Formation of new tank across local stream near Nandulapalli (V) Adilabad District	27.12.2007	25.12.2008	Work in progress	—
5	Formation of new tank across branch of Bkkalavagu near Nandulapalli (V) Adilabad District	17.06.2008	16.06.2009	Work in progress	Due to non acquisition of land, the work had not commenced as of September 2008.
6	Formation of new tank across Mearamvagu near Medaram (V) Adilabad District	1.12.2007	1.12.2008	Work in progress	—
7	Construction of pick up anicut across Musi river near Muppavaram (V) Prakasam District	02..12.2006	1.09.2007	Work in progress	Non approval of tentative drawings of the projects and stoppage of works by the contractor.
8	Construction of multipurpose checkdam across Musi river near Ananthavaram (V) Prakasam District	21.07.2005	20.07.2006	Work in progress	Non approval of tentative drawings of the projects

## Chapter - 10

State  
Specific  
FindingsAndhra  
Pradesh

S.No.	Name of Project	Date of Start	Target date of Completion	Status as on Sep-2008	Reasons for non completion/ being non-functional
9	Construction of anicut cum road across Maneru River near Machavaram (V) Prakasam District	12.01.2007	11.01.2008	Work in progress	Non approval of tentative drawings of the projects
10	Raising FTL & improvements to Valleru Tank near Valeru (V). Prakasam District	19.12.2007	18.12.2008	Work in progress	—

### 10.1.4 Planning and Approval of Projects

There were no preliminary project reports or DPRs for any of the selected 10 MI projects. Also, there were no scheme-wise calculations of BCR – only a certificate from the State Government that the BCR was more than 1. Nevertheless, these projects were approved for assistance by the GoI.

### 10.1.5 Financial Management

#### 10.1.5.1 Undue benefits to contractors

Audit scrutiny revealed that contract agreements for two projects – Alisagar LIS and Thotapally Barrage Project – were awarded on fixed scope basis. However, the scope of work was not precisely defined, and was subsequently altered during execution. Further, the milestones for the project were not specified by the State Government, but were fixed on the basis of proposals from the contractors, and were also revised in cases of delay/ non-completion of work in accordance with the original milestones.

Further, undue benefits of Rs. 33.67 crore, primarily on account of variation in scope for fixed scope projects, were passed on to contractors, as summarized below:

**Table S4 - Undue Benefits to Contractors in AIBP projects in Andhra Pradesh**

S.No.	Name of Project	Amount (Rs. in crore)	Audit Findings
1	Alisagar Lift Irrigation Scheme	25.88	<ul style="list-style-type: none"> <li>Reduction of number of rows and length of pipeline during execution.</li> <li>Though the agreement conditions stipulated that the contractor was responsible for construction of Road under Bridge, separate payment was made for that work.</li> </ul>
2	Thotapalli Barrage Project	4.81	<ul style="list-style-type: none"> <li>There was reduction in the length of the canal by 2.26 Km while executing the work.</li> </ul>



**Chapter - 10**State  
Specific  
Findings**Andhra  
Pradesh**

S.No.	Name of Project	Amount (Rs. in crore)	Audit Findings
3	<b>Sri Khomaram Bhim Project</b>	2.98	<ul style="list-style-type: none"> <li>Two per cent of the agreement amount was to be deducted towards maintenance, but no such deduction was made from the intermediate payment.</li> <li>Seigniorage charges amounting to Rs.0.32 crore on earth used for refilling of excavated Cut of Trench (COT) and formation of embankment with borrowed soils were not recovered.</li> </ul>

**10.1.5.2 Other Financial Irregularities****Table S5 - Irregularities in Financial Management of AIBP Projects in Andhra Pradesh**

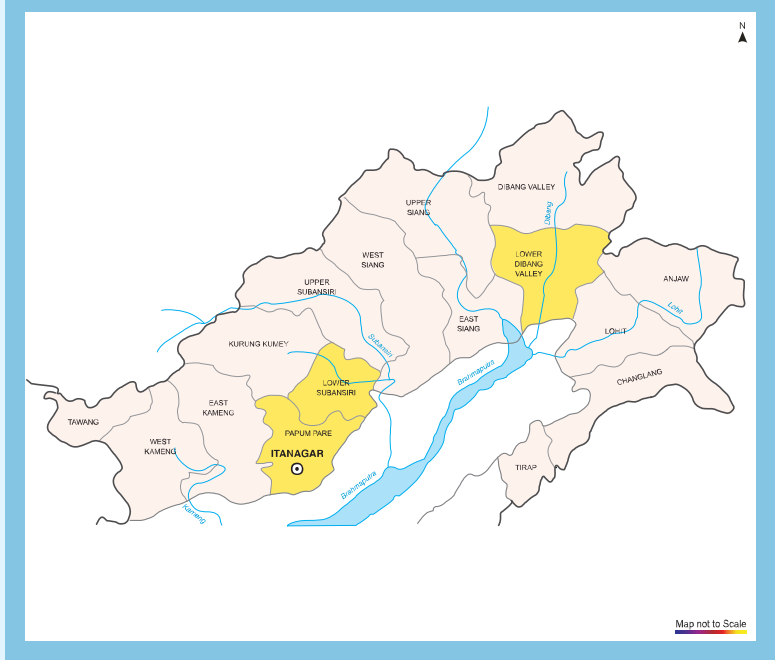
Nature of Irregularity	Details
<b>Non-submission of UCs</b>	<ul style="list-style-type: none"> <li>Utilisation Certificates for Rs. 12.55 crore (Rs 5.84 crore for Yerrakalva and Rs 6.71 crore for Ralivagu projects) of GoI assistance during 2004-07 had not been submitted to CWC.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>Expenditure of Rs. 1.21 crore was irregularly incurred out of AIBP funds for repair work on the Yerrakalva Project.</li> </ul>
<b>Wasteful expenditure</b>	<ul style="list-style-type: none"> <li>In one minor irrigation project (Construction of multipurpose checkdam across Musi river near Avarama), an anicut with two lift irrigation schemes was to be constructed at a cost of Rs. 7.80 crore. The contractor, however, stopped the work after completing the anicut at a cost of Rs. 1.97 crore. No irrigation potential had, thus, been created without the lift irrigation.</li> </ul>

**10.1.6 Monitoring & Evaluation**

- No mechanism for evaluation of projects to assess creation of envisaged Irrigation Potential, the increase in Agricultural Production/Irrigated area of the major crops, multiple cropping system, and the achievement of the desired Benefit Cost ratio existed in the State.
- In the selected 7 major/ medium projects, there was a substantial shortfall in field inspections by CWC, ranging from 50 to 86 per cent.



# ARUNACHAL PRADESH



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Coverage of Minor Irrigation Projects	■



### 10.2.1 Background

During 1999-2008, GoI sanctioned 1736 minor irrigation projects in Arunachal Pradesh, and released Rs. 154 crore towards them. Of these, 749 projects were sanctioned during the period 2003-08, and assistance of Rs. 135 crore released for these projects.

**Table S6 - MI Projects in Arunachal Pradesh**

Year of Sanction	Number of projects Sanctioned	Completed	Total Availability of Funds (GoI Share + State Share) (Rs. in Crores)	Reported Expenditure (Rs. in Crores)
2003-2004	275	275	25.00	25.00
2004-2005	00	00	12.50	12.50
2005-2006	243	211	22.50	22.50
2006-2007	178	00	29.70	29.70
2007-2008	53	00	45.45	45.45
<b>Total</b>	<b>1736</b>	<b>1473</b>	<b>135.15</b>	<b>135.15</b>

Out of the 749 projects, 21 projects in three divisions (Itanagar, Ziro and Pasighat) of the Water Resources Department were selected for detailed audit scrutiny.

### 10.2.2 Overall Status of Reported Completion of Projects

Out of the 1736 projects sanctioned during 1999-2008, 1473 projects were reportedly complete, as of November 2008. Further, out of 749 projects sanctioned during 2003-08, only 486 projects were reportedly completed; none of the 231 projects sanctioned during 2006-08 were reportedly complete.

### 10.2.3 Status of Completion of Test-Checked Projects

While all the 21 projects selected for audit scrutiny were reportedly complete, field audit revealed that 11 of these projects were not in functional condition, as summarized below:



## Chapter - 10

State  
Specific  
Findings

Arunachal  
Pradesh



Due to heavy floods in June 2008, 25 metre of the field canal was damaged. This was subsequently repaired using 3-4 GI pipes. However, this was not sufficient to restore the full flow of water, and there was no water in 300 metre of channel on the second side of the command area.

Damaged field channel in MI Project at Ganga Village, Itanagar Division

There was no water supply in the main field canal, as the retaining wall at the main head had been completely damaged, reportedly by floods during June 2008. Further, about 500 metre of the main canal was found fully buried under sand and debris.



Damaged headwork at MI Projection Kanabung Village, Itanagar Division



The head work and main canal in the MI Project was totally damaged, reportedly by floods in June 2008. The 300 metre main channel was fully buried under sand and rocky dunes.

Non-existent headwork at MI Project in Naharlagun Model Village, Itanagar Division

**Chapter - 10**State  
Specific  
Findings**Arunachal  
Pradesh**

The headwork was totally damaged, reportedly by floods in June 2008, and could not be identified during the field visit. Further, 20 metre of the main channel was completely buried under debris and rocky stones and could not be traced, while the remaining part of the channel of 40 metre was partially filled with sand.



Non-existent headwork at MI Project in Mane Village, Itanagar Division



About 900 metre of earthen canal was found damaged at many places due to landslides, and no water was flowing through the main channel from the headworks to the tail end.

Damaged earthen canal at MI Project from Teri River to Makam Happa at Yachuli Village, Ziro Division

About 900 metre of earthen canal was found damaged at many places due to landslides, and no water was flowing through the main channel from the headworks to the tail end.



Damaged earthen canal at MI Project from Teer Stream to Hoya Happa at Yachuli Village, Ziro Division



## Chapter - 10

State  
Specific  
Findings

Arunachal  
Pradesh



The headworks and the renovated section of the channel of 20 metre from the main source were found totally damaged. In addition, the remaining portion of the main channel was damaged and covered with debris and sand. Although the villagers had made some makeshift arrangements, the full quantum of water at the starting point was not reaching the tail end.

Completely damaged main field channel at "Improvement and Renovation of Sigo Nallah MI Project" at Ngorlung Village, Pasighat Division

The headwork was completely damaged, and the 100 metre concrete and cement work on the main side wall, which was reportedly carried out with AIBP funding, was buried under rocky stones. Beneficiaries had made alternate arrangements for flow of water, by raising the height of the side wall with rocky stones.



Completely damaged headwork at "Renovation of Headwork of Gagur MI Project" at Niglok, Pasighat Division



The original headwork was completely damaged, and water was being diverted by a temporary headwork of wire created boulders. There was approximately 50 per cent loss of water in transit, most probably due to water seepage, and beneficiaries requested construction of the entire earthen embankment of the channel in pucca form.

Damaged headwork and makeshift arrangements at Silte to Dekam MI Project at Ledum, Pasighat Division

**Chapter - 10**State  
Specific  
Findings**Arunachal  
Pradesh**

The retaining wall of the head work, required for storing the water at the source and lifting it for diversion to the main field channel, was totally damaged. Consequently, no water was flowing through the main field channel.



Damaged headwork at Eme Garsing (M) & Rangkop Area at Sigar, Pasighat Division



Head work stated to have been constructed in 30 metre area, was found to be totally damaged and washed away. Presently, the water from main stream to the main channel had been diverted with an alternative arrangement of raised platform/ structure constructed/ with the support of wire created boulders.

Damaged headwork at "Improvement and Renovation of Sipir MI Project" at Ayang Village, Pasighat Division

### 10.2.4 Planning and Approval of Projects

Audit scrutiny of Minor Irrigation Projects revealed the following:

- Contrary to the AIBP guidelines, five improvement and renovation works in Pasighat and Ziro Divisions at a cost of Rs. 56.20 lakhs were approved and taken up under AIBP.
- Although the project proposals were stated to be based on prior survey and investigation, no survey reports were shown to audit, and the authenticity of data indicated in the DPRs could, thus, not be verified.
- The DPRs did not indicate the schedule for completion.

**Chapter - 10**State  
Specific  
Findings**Arunachal  
Pradesh****10.2.5 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S7 - Irregularities in Financial Management of AIBP Projects in Arunachal Pradesh**

Nature of Irregularity	Details
<b>Short release of funds</b>	■ Out of the total funds of Rs. 45.96 crore received from MoF, the State Government released only Rs. 41.32 crore to various divisions during 2007-08.
<b>Rush of expenditure</b>	■ Unusual rush of expenditure during the last quarter of the financial year, in particular the month of March, during 2003-08; between 69 to 73 per cent of the annual expenditure was incurred in March, and 76 to 82 per cent of the annual expenditure was incurred in the last quarter.

**10.2.6 Non-functional Water Users Associations**

According to the AIBP guidelines, projects were to be handed after completion to Water Users Associations, who would be responsible for their maintenance by levying water charges. However, audit scrutiny of the 21 test-checked projects revealed that the Water Users Associations were not fully functional, nor had assets created under AIBP been handed over to the users. Further, water distribution schedules were also not found in place.

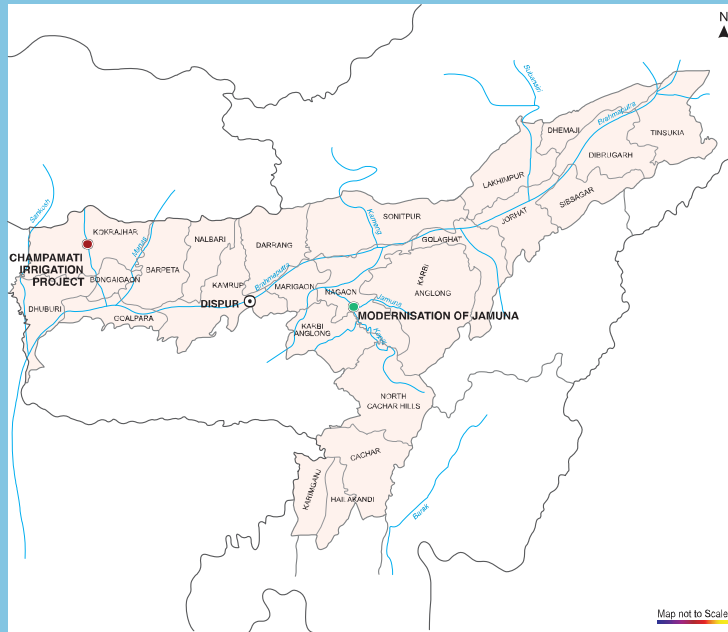
**10.2.7 Monitoring and Evaluation**

Audit scrutiny revealed that:

- The State Level Monitoring Committee had not been formed. Further, Project Level Committees had not been formed in two test-checked Divisions (Pasighat and Ziro), while in the third Division (Itanagar), although a Project Level Committee had purportedly been formed, details of the Committee's meetings were not made available to audit.
- Evaluation of the completed projects for assessing the improvement in irrigation potential and utilization, agricultural production and cropping pattern had not been carried out.



# ASSAM



## LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●
Medium Irrigation Projects	●



### 10.3.1 Background

During 1996-2008, GoI sanctioned 10 major/ medium irrigation projects and 289 minor irrigation projects in Assam. The GoI and State Government releases towards these projects and reported expenditure during 1996-2008 are summarized below:

**Table S8 - Profile of AIBP Projects in Assam**

Category of projects	No. of Projects	GoI Releases (Rs. in crore)	State Government Contribution (Rs. in crore)	Reported Expenditure (Rs. in crore)
Major/Medium	10	44.68	34.63	63.35
Minor	289	140.98	21.16	145.78

Out of the above, a sample of two major/ medium projects – Champamati Irrigation Project and Modernisation of Jamuna Irrigation Project – and 25 minor projects were selected for detailed audit scrutiny.

### 10.3.2 Overall Status of Reported Completion of Projects

Out of the 10 major/ medium projects (which were all taken up under AIBP between 1996-97 and 2001-02), only five projects were completed by December 2009. Even the completed projects had time overruns of 2 to 9 years, and a total cost overrun of Rs. 485.44 crore. Details of the Major/Medium projects are given below:

**Table S9 - Status of Major/Medium AIBP projects in Assam**

Name of Irrigation Project	Year of Inclusion under AIBP	Expenditure as on March 2008 (Rs. in crore)	Expected date of completion	Time over-run before AIBP After AIBP (March 2008)	Cost over-run with reference to original Estimated Cost (Rs. in crore)
Dhansiri (Major)	1996-97	195.36	2009-10	30 years 9 years	179.53
Champamati (Major)	1996-97	72.94	2009-10	25 years 9 years	57.62
Bodikarai (Major)	1996-97	49.89	—	—	46.33
Integrated I.P. on Kollong Basin (Major)	1996-97	79.30	—	—	74.73
Pohumara (Medium)	1996-97	39.92	March 2008	16 years 9 years	34.95
Rupahi (Medium)	1996-97	7.56	—	20 years 9 years	5.73



**Chapter - 10**State  
Specific  
Findings**Assam**

Name of Irrigation Project	Year of Inclusion under AIBP	Expenditure as on March 2008 (Rs. in crore)	Expected date of completion	Time over-run before AIBP After AIBP (March 2008)	Cost over-run with reference to original Estimated Cost (Rs. in crore)
Borolia (Medium)	1996-97	64.53	2008-09	25 years 9 years	57.76
Buridihing (Medium)	1996-97	17.42	2008-09	25 years 9 years	16.28
Waipur (Medium)	1996-97	14.50	—	22 years 9 years	12.51
Modernisation of Jamuna I.P. (Major)	2001-02	29.27	2008-09	7 years 2 years	NIL
<b>Total</b>		<b>570.69</b>			<b>485.44</b>

Failure of the State Government to contribute matching share and delayed release of CLA/Grant were the main reasons for delay in completion of projects ranging from 9 years to 39 years.

**10.3.3 Status of Completion of Test-Checked Projects**

As regards the two test-checked major/ medium projects, only 1 project was completed.

- The Champamati Irrigation Project had not been completed after 12 years of inclusion. The main reason was non-acquisition of land, with only 176 ha out of the required 478 ha having been acquired.
- In Modernisation of Jamuna Irrigation Project, there was a time overrun of 2 years in completion of the project, reportedly due to insufficient flow of funds and law and order problems in the State.



Champamati Irrigation Project (Head Work)



**Chapter - 10**State  
Specific  
Findings**Assam**

Modernisation of Jamuna Irrigation Project (Head Work)

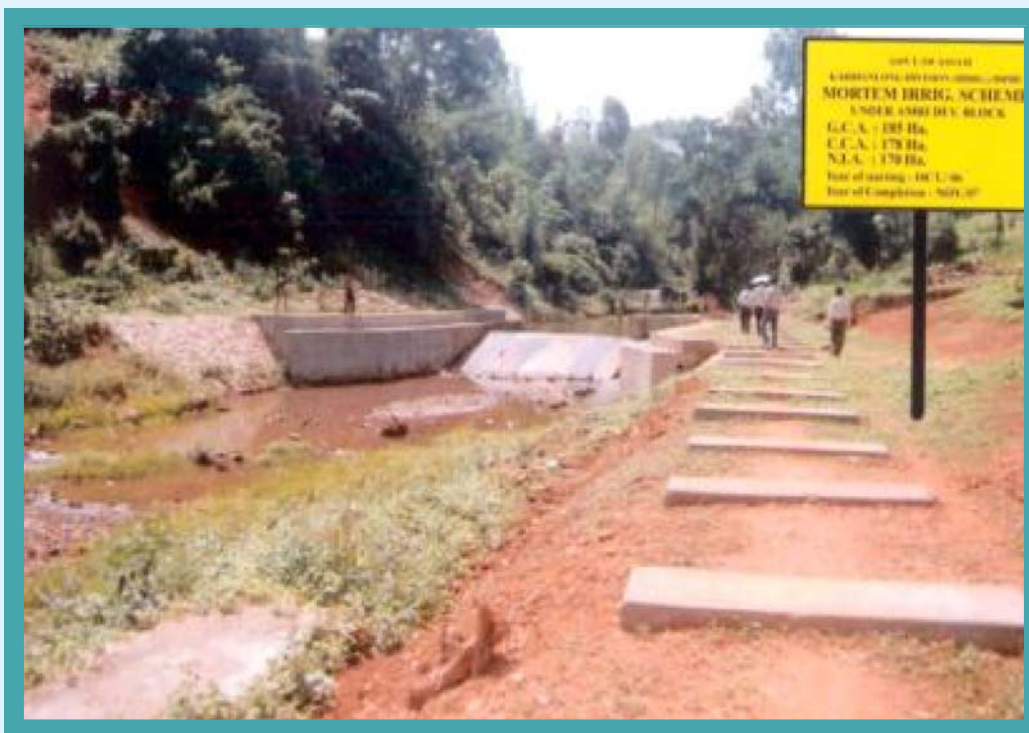
As regards the 25 test-checked minor irrigation projects;

- Six projects were in the General Area; of these, none had been completed.
- 19 projects were under the Karbi Anglong Autonomous District Council (KAAC) area. Of these, 10 projects had been completed, with two projects delayed by one year. Cost overrun of Rs. 0.24 crore was incurred on 5 projects, by diversion of funds from other minor projects.

As regards creation of irrigation potential, the shortfall in respect of major/ medium and minor projects ranged from 7 to 77 per cent and from 20 to 41 per cent respectively. In respect of 1 Major (Champamati Irrigation Project) and 20 test-checked minor irrigation projects, no assessment of the IP utilized was carried out at any level.



Umphoo MI Scheme (Head Work)

**Chapter - 10**State  
Specific  
Findings**Assam**

Mortem MI Scheme (Head Work)

There was variation in the figures of percentage utilization of IP (ranging from 17 to 58 percent) as reported by the Irrigation Department and the Directorate of Economics and Statistics.

### 10.3.4 Planning and Approval of Projects

Audit scrutiny revealed that technical sanction for the two test-checked major/ medium projects was accorded in piecemeal fashion through 159 sanctions between November 1991 and August 2008, evidently to avoid sanction by a higher-level competent authority.

As regards minor irrigation projects,

- No DPRs were prepared in respect of any of the 131 projects under AIBP. Instead, “concept papers”, which contained a brief description of the project including location, index map, annual irrigation area, length of canal, targeted irrigation potential, cropping pattern, projected BCR and abstract of project cost, were prepared. However, these did not conform to the full requirements/ specifications of DPRs. Nevertheless, these projects were approved by the MOWR.
- The 143 minor irrigation projects in KAAC areas were approved by a separate Technical Advisory Committee (TAC). In respect of general areas, the State TAC was not formed till 2008-09, and 131 projects were approved by the MOWR without TAC approval.



### 10.3.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S10 - Irregularities in Financial Management of AIBP Projects in Assam**

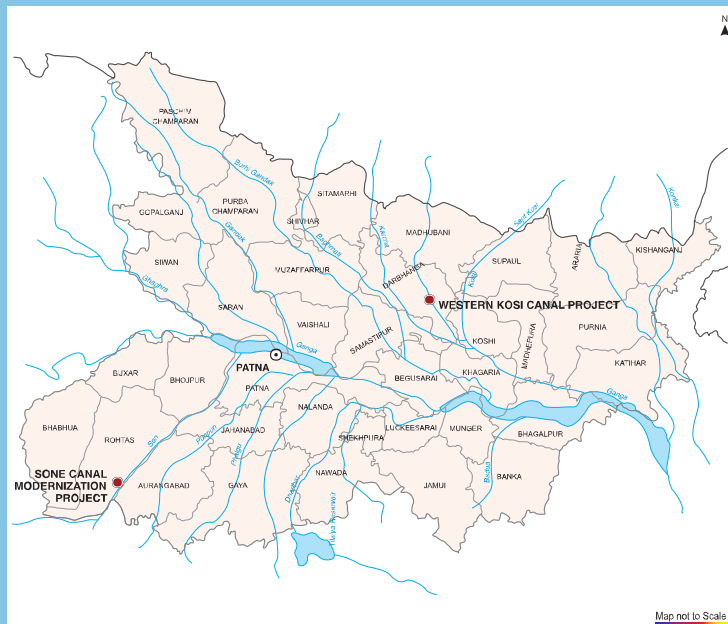
Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>Advance payments of Rs. 3.22 crore were made between March 2006 and March 2008 and irregularly charged to the projects, instead of the Miscellaneous Public Works Advances account head against individual officers for watching recovery and eventual adjustment within a month. Of this amount, only Rs. 0.29 crore was adjusted as of July 2008.</li> </ul>
<b>Short-release of funds</b>	<ul style="list-style-type: none"> <li>There were short-releases of GoI assistance of Rs. 15.96 crore and Rs. 18.83 crore by the State Government to the implementing agencies during 2003-08; and delays ranging from 37 to 376 days in release of funds.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>Funds amounting to Rs. 0.31 crore allocated under AIBP were diverted for unrelated purposes.</li> </ul>
<b>Wasteful expenditure</b>	<ul style="list-style-type: none"> <li>One case of wasteful expenditure of Rs. 0.35 crore in the Champamati project, and another case of irregular expenditure of Rs. 0.36 crore without administrative approval on a minor irrigation project were noticed.</li> </ul>
<b>Poor collection of water rates</b>	<ul style="list-style-type: none"> <li>Although water rates were revised in March 2000 to meet the condition for reforming States (envisaged under the earlier guidelines), collection by the Irrigation Department against demands raised was very poor, with only Rs. 0.16 crore out of total demand of Rs. 13.90 crore being recovered during 2003-04 to 2007-08.</li> </ul>

### 10.3.6 Monitoring and Evaluation

Audit scrutiny revealed that :

- The State Government did not have an independent monitoring mechanism for minor irrigation projects. Although a central monitoring cell in the Irrigation Department was reportedly monitoring such projects, no reports on monitoring were on record.
- A performance evaluation of AIBP projects by an external agency at the instance of MOSPI attribute the main reasons for delay in completion of projects in Assam to the failure of the state in contributing its matching share and delayed release of GoI assistance by the State Governments. These problems had, however not been resolved.
- During 2003-08, CWC conducted 26 inspections, covering 7 major / medium and only 1 minor projects. No project was visited every year during 2003-08, and only four projects were visited twice in any of the five years.

# BIHAR



## LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●

Note: The Co-ordinates of Western Kosi Canal Project were not provided by the CWC.



### 10.4.1 Background

Under AIBP, three major, two medium and four minor irrigation projects had been taken up in Bihar. During 2003-08, GoI provided assistance of Rs. 164.82 crore and the State Government released Rs. 567.05 crore, against which expenditure of Rs. 707.87 crore was incurred.

Out of the above, two major projects – Western Kosi Canal Project (WKCP) and Sone Canal Modernisation Project (SCMP) – and four minor projects were selected for detailed audit scrutiny.

### 10.4.2 Overall Status of Reported Completion of Projects

Of the five major/medium irrigation projects,

- Two major projects, Western Kosi Canal Project and Sone Canal Modernisation Project, which were included in 1996-97, had not been completed as of March 2008 as the work of distributaries and water courses were yet to be completed, while the third major project – Durgawati Reservoir Project – was abandoned in 2006-07 for want of forest clearance.
- Two medium projects – Upper Kiul Reservoir Project (UKRP) and Orhni Reservoir Project (ORP) – were reported as complete in March 2007. However, 18 out of the 642 structures in UKRP were yet to be completed as of March 2007; 40 per cent of the water courses in ORP and 100 per cent of the water courses in UKRP were yet to be constructed.

All four minor irrigation projects, which were taken up in 2007-08, were ongoing as of March 2008

### 10.4.3 Status of Completion of Test-Checked Projects

#### 10.4.3.1 Western Kosi Canal Project (WKCP)

This project is a part of the multi-purpose Kosi Project, and was included under AIBP in 1996-97. The estimated cost as of 1999 was Rs. 830.69 crore, with the 4th revised estimate of Rs. 1115.71 crore under process. The project was targeted for completion by March 2009.

Audit scrutiny of the records, however, revealed that:

- As of March 2008, only three out of four distributaries were completed. Slow acquisition of land was the main bottleneck for completion of distributaries, with possession of only 883 acres of land taken against the total land demand of 4195 acres as of March 2008.



## Chapter - 10

### State Specific Findings

#### Bihar



- Five out of the seven railway bridges falling across the WKC Main and Branch Canals were yet to be completed, due to lack of effective pursuance by the Irrigation Department with the Railways.
- De-siltation taken up in March 2008 was not completed as of September 2008, as only 7.45 lakh m<sup>3</sup> of the targeted earthwork of 13.86 lakh m<sup>3</sup> could be completed.
- As of February 2008, due to non-functional branch canals, non-completion of distributaries and slow progress of desiltation, irrigation potential of only 0.24 lakh ha could be utilized, as against the reported creation of 1.68 lakh ha of irrigation potential.



Siltation in upstream of Western Kosi Main Canal (WKMC) at RD 55 Km

**Chapter - 10**

State  
Specific  
Findings

**Bihar**



Breakage in Saharghat Branch Canal at tail end of WKMC



Siltation and vegetation in WKMC at RD 135.45 Km

## Chapter - 10

### State Specific Findings

#### Bihar



Vegetation and non-availability of water at Saharghat Branch Canal of WKMC

### 10.4.3.2 Sone Canal Modernisation Project (SCMP)

This project was included under AIBP in 2003. The revised cost of the project, as of March 2003, was estimated at Rs. 493.17 crore, with a stipulated completion date of March 2008.

Audit scrutiny, however, revealed that:

- As of March 2008, 12 per cent of the proposed distributaries and 100 per cent of the water courses were yet to be constructed.
- Construction of the Western Project Link Canal (WPLC) could not be completed, due to heavy seepage from the Western main canal and non-clearance from the Road Construction Department. As a result, IP of 1.69 lakh ha. reportedly created under AIBP could not be utilised.
- The banks of the distributaries and sub-distributaries were regularly damaged they were not lined.



**Chapter - 10**

State  
Specific  
Findings

**Bihar**



Incomplete WPLC under SCMP

### 10.4.3.3 Minor Irrigation Projects

In respect of the test-checked minor irrigation projects, audit scrutiny revealed that

**Chapter - 10**

State  
Specific  
Findings

**Bihar**



Incomplete spillway of Nayaki Reservoir Scheme



Damaged embankment of Gerua Reservoir Scheme

## Chapter - 10

State  
Specific  
Findings

Bihar



### 10.4.4 Planning and Approval of Projects

Audit scrutiny of the projects revealed the following:

- The BC Ratio of WKCP was calculated at 2.794 after adopting the kharif crop production, which was unrealistic as the command area was completely flood prone, making the kharif crop uncertain.
- The BC Ratio of SCMP was not calculated, and the 2nd revised estimate was not approved by CWC due to this lacunae.
- In respect of test-checked MI projects, the BC Ratio was calculated on the basis of assumed crop production and the basic records on the basis of which it was calculated were not available with the department.

### 10.4.5 Non-creation & Utilisation of targeted Irrigation Potential

Audit scrutiny revealed that:

- During 2003-08, only 74 per cent of the targeted irrigation potential was reportedly created under AIBP, against which reported utilization was only 51 per cent.
- The figures of created and utilized irrigation potential provided to audit did not have supporting basic records, and could not be vouchsafed in audit.

### 10.4.6 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S11 - Irregularities in Financial Management of AIBP Projects in Bihar**

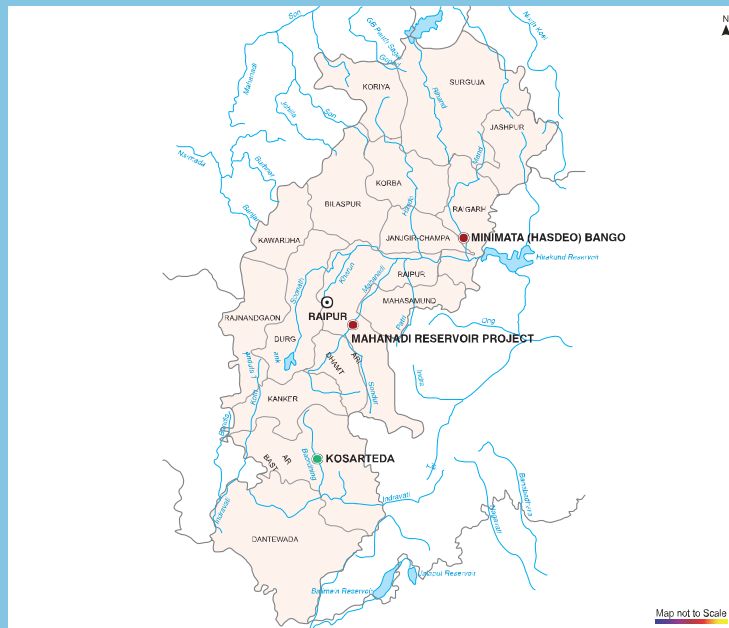
Nature of Irregularity	Details
Irregular expenditure	<ul style="list-style-type: none"> <li>■ In Sone Canal Modernisation Project (SCMP), Rs. 72.20 crore was spent on metalling of service road, which was wrongly included under the Sub-head 'Earthwork' in the estimates.</li> <li>■ In Western Kosi Project, an expenditure of Rs 7.35 crore was incurred by Western Kosi Canal Division on unapproved works.</li> </ul>

### 10.4.7 Monitoring and Evaluation

Audit scrutiny revealed that:

- No State Level and Project Level monitoring committees were formed, while the monitoring cell in the Secretariat merely compiled information furnished by the Divisions, without any system for verifying the authenticity of information.
- The Chief Engineer, Dehri reportedly conducted 47 field inspections during 2003-08; however, inspection notes for only four visits were on record.

# CHHATTISGARH



LEGEND	
State Capital	
State Boundary	
District Boundary	
Major Irrigation Projects	
Medium Irrigation Projects	

**Note:** The Co-ordinates of Hasdeo Bango Project, Mahanadi Reservoir Project and Kosarteda Project were not provided by the CWC.





### 10.5.1 Background

During 1996-2008, GoI sanctioned seven major/ medium and 120 minor irrigation projects in Chhattisgarh, and released 312.60 crore and Rs. 70.27 crore, respectively, towards these projects. Of these, a sample of three major/ medium projects (Hasdeo Bango Phase- III, Mahanadi Reservoir Project and Kosarteda Project) and 12 minor irrigation projects was selected for detailed audit scrutiny.

### 10.5.2 Overall Status of Reported Completion of Projects

Of the seven major & medium projects taken up under AIBP, two major projects (Hasdeo Bango Project Phase- III and Jonk Diversion) and two medium projects (Shivnath Diversion Project and Barni Project) had been completed as of March 2008. Of the 120 minor irrigation projects, which were sanctioned during 2006-08, only two projects were completed as of March 2008.

### 10.5.3 Status of Completion of Test-Checked Projects

Audit scrutiny revealed that:

- The State Government made adequate allotment of funds for completion of the projects. Against the central releases of Rs. 299.47 crore for the test-checked major/ medium projects, the State Government provided funding of Rs. 934.10 crore. Similarly in respect of the 120 minor irrigation projects, against the GoI assistance of Rs. 70.27 crore, the State Government allocated Rs. 191.63 crore.
- Of the test-checked major/ medium projects, only one major project (Hasdeo Bango Phase-III Project) had been completed. In the Kosarteda Project (Ongoing project), against the requirement of 237.33 ha of land, 34.4 ha was still pending for acquisition.
- Of the test-checked 12 minor irrigation projects, two projects (Kokia Diversion Scheme and Pandoli Anicut Scheme) had been completed. In six test-checked minor irrigation schemes<sup>20</sup>, the main reason for non-completion and non-creation of irrigation potential was non-acquisition of land.

<sup>20</sup> Malanger Scheme, Muskuti Diversion, Kokia Diversion/ Renovation, Chendra Tank, Pithama Tank and Jharan Tank

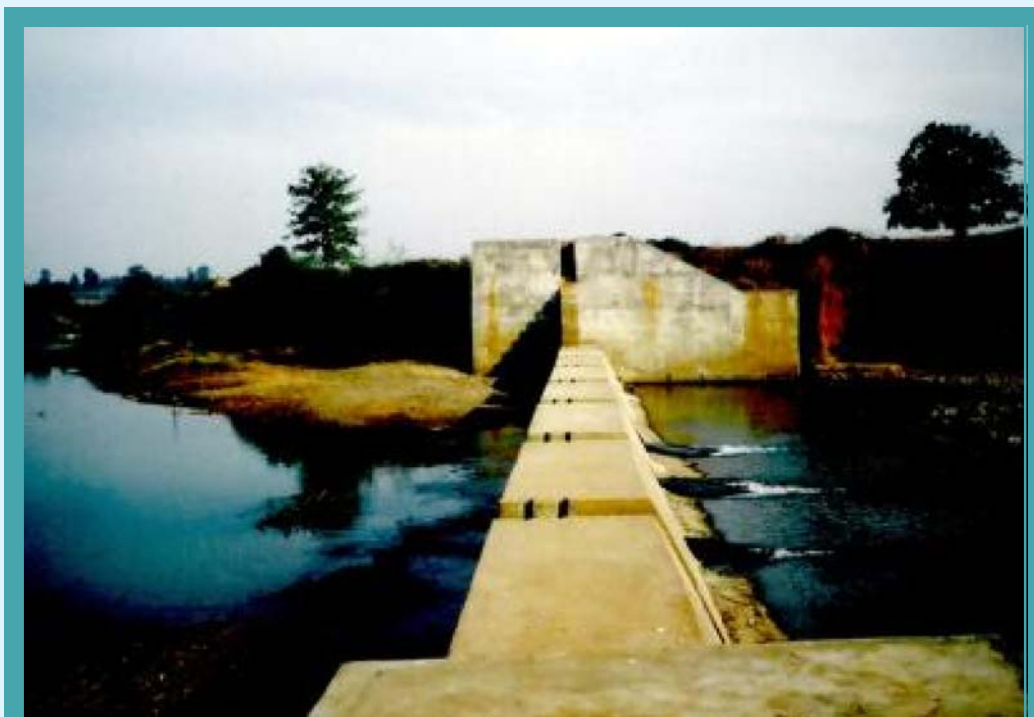
## Chapter - 10

State  
Specific  
Findings

### Chhattisgarh



Roopur Tank Minor Irrigation Scheme



Pandoli Anicut Minor Irrigation Scheme

### 10.5.4 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S12 - Irregularities in Financial Management of AIBP Projects in Chhattisgarh**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<p>In Hasdeo Bango Project :</p> <ul style="list-style-type: none"> <li>■ During excavation of the canal, the contractor over excavated a few reaches and again filled the gaps and pockets, for which he was paid Rs.11.38 lakh.</li> <li>■ Royalty amounting to Rs.22.88 lakh was not deducted from two contractors for payments of use of metal and sand in the cement concrete lining work in Kurda distributary.</li> </ul>
<b>Wasteful expenditure</b>	<ul style="list-style-type: none"> <li>■ In Hasdeo Bango Project the work of erection of gate and cross regulator amounting to Rs.14 lakh was executed through a contractor during 2003-04. However, nine months after of issue of completion certificate, the department declared that the system had failed. Instead of repairing the system through the defaulter, the department again spent Rs.10.94 lakh through another contractor.</li> </ul>

### Chapter - 10

State  
Specific  
Findings

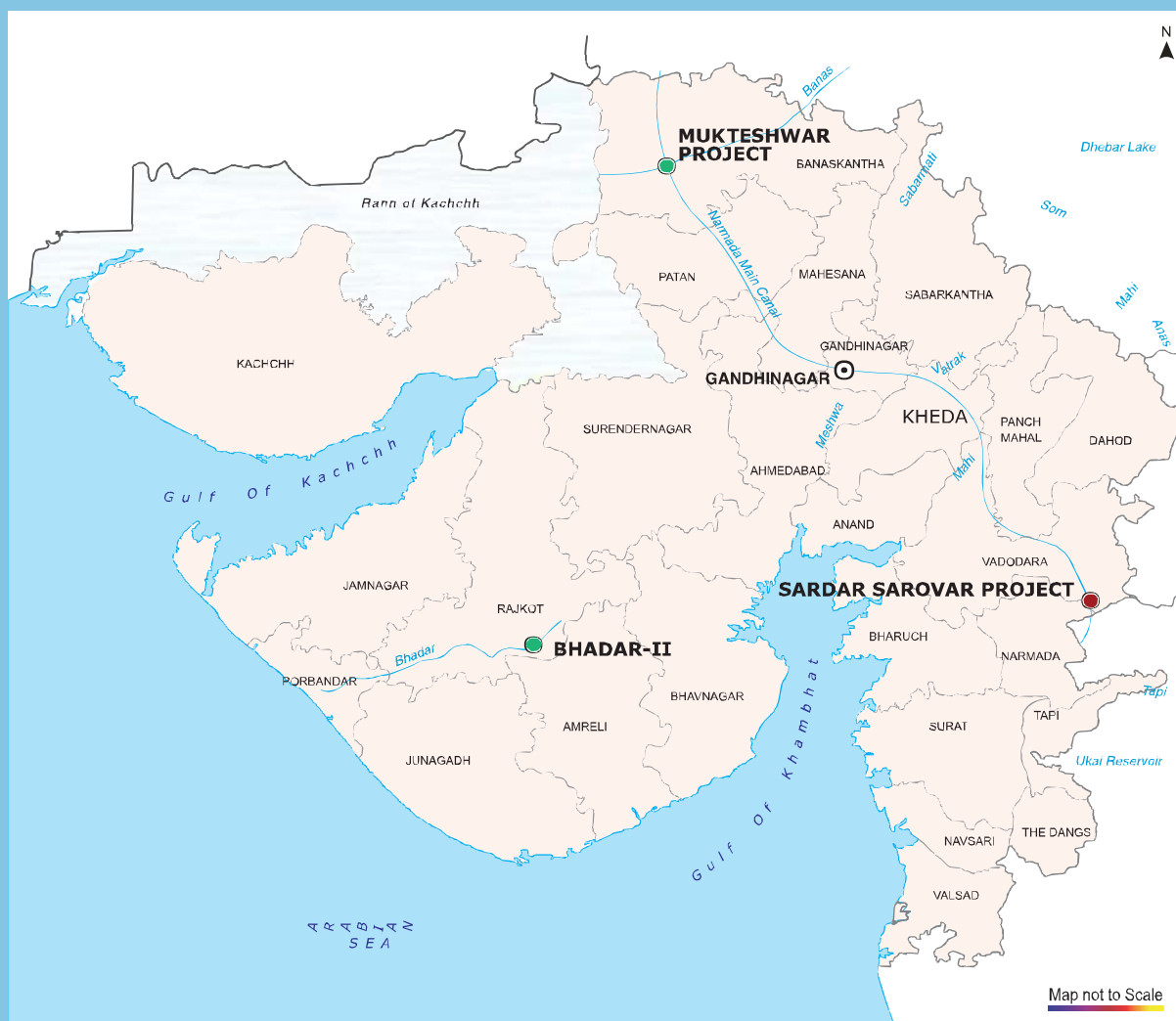
### Chhattisgarh



### 10.5.5 Monitoring and Evaluation

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.





- Intl. Boundary
- State Boundary
- District Boundary
- State Capital
- Major Irrigation Projects
- Medium Irrigation Projects

**Note:** The Co-ordinates of Sardar Sarovar Project, Mukteshwar Project and Bhadar-II Project were not provided by CWC.





### 10.6.1 Background

During 1996-2008, GoI sanctioned 15 major and medium projects in Gujarat. Of these, the largest project is the Sardar Sarovar Project (SSP), which was included under AIBP in 1996-97 at an originally approved cost of Rs. 6406 crore for completion by 2000-01. The components under AIBP are the Narmada Main Canal (Unit-II) and the distribution system upto minor level (Group-IV). As regards the other 14 major/ medium projects, a provision of Rs. 105.87 crore was made, against which GoI released Rs. 76.67 crore; the State Government made a provision of Rs. 141.54 crore for these projects.

### 10.6.2 Sardar Sarovar Project (SSP)

SSP is being executed by the Sardar Sarovar Narmada Nigam Limited (SSNNL). Against the original cost of Rs. 6406 crore, the latest cost estimate proposed by the State Government in July 2007 was Rs. 35,046 crore; this estimate had not yet been approved. Till March 2008, the total investment in SSP was Rs. 26,353 crore, of which GoI assistance was Rs. 5,140 crore. Despite non-approval of the revised estimate, GoI released funds of Rs. 837.62 crore during 2007-08. The main audit findings are as follows:

- While the originally projected BC Ratio was 2.0, the State Government had not revised the BCR, while up scaling the costs and the revised project estimates of Rs. 35,046 crore do not mention a revised BCR; the continued economic viability of SSP is thus not verifiable.
- The project is still ongoing, with a revised completion date of 2010-11. As of March 2008, the project completion was 16 to 28 per cent.
- During 2003-08, despite expenditure of Rs. 4676 crore, the construction of earthwork, lining and structures ranged between 8 to 65 per cent of the targets.
- While according investment clearance to SSP, the Planning Commission had stipulated a vertically integrated approach for the implementation schedule for the canal network, whereby a segment of the canal network, taken from the head, was

in that segment for the designed potential. Contrarily, priority was accorded to construction of branch canals, but distributaries, minors and sub-minors were not developed, leading to non-creation of the targeted IP, as summarized below:

**Chapter - 10**State  
Specific  
Findings**Gujarat**

- ▲ While seven branch canals were constructed under Phases IIA and IIB between October 2001 and May 2008, construction of their distributaries had not been taken up as of December 2008.
- ▲ Construction of distributaries in blocks 9A4 and 9A5 was completed in June 2002; however, only 100 km of minors out of a total of 200 km of minors of these distributaries were completed. Even of these 100 km, water could flow only in 4.70 km due to incomplete stretches. As regards sub-minors for these blocks, 422 km of sub-minors were constructed as of June 2008, against the envisaged construction of 719 km by July 2005. Even of these 422 km of sub-minors, water could flow only in 2 km.
- ▲ While the canal siphon of the Morbi branch canal at the Viramgam – Rajkot railway line crossing had been completed in May 2005, the contract for construction of the branch canal had not been awarded till January 2009.

Further, audit scrutiny revealed diversion of GoI assistance of Rs.1833 crore:

- GoI released Rs. 675.20 crore for extending irrigation benefits to drought prone area (DPA). Audit scrutiny revealed that the irrigation potential proposed to be developed under DPA was of seven already constructed branch canals (Narsinghpura, Maliya, Vallabhipur, Viramgam I&II, Kharaghoda and Jijanuwada) and three under construction branch canals (Goriya, Rajpura and Amarapura). Sardar Sarovar Narmada Nigam Limited (SSNNL) provided utilization certificates to GoI certifying that the funds provided under DPA had already been spent. However, the branch canals covered under DPA were already constructed/were under construction when the DPA component was introduced. The branch canals which were under construction were still not complete and no expenditure had been incurred on distributaries or other downstream networks. This implied that the funds provided under DPA were used by the Company in the works other than those covered under DPA and SSNNL gave incorrect UCs to GoI.
- Out of the CLA of Rs. 1898 crore received during 2002-05, SSNNL could not utilize CLA of Rs. 1103 crore. Further, there was a shortfall in expenditure of Rs. 82 crore as on 31.03.2002 corresponding to CLA of Rs. 55 crore. The total CLA unutilized till 2004-05 was Rs 1158 crore.

During the period 2003-04 to 2004-05, against the actual expenditure of Rs. 1702 crore incurred by the SSNNL, the State Government reported an expenditure of Rs. 2987 crore to GoI. Thus, the State Government overstated expenditure incurred under AIBP.



### 10.6.3 Overall Status of Reported Completion of Projects

Ten of the 14 major/ medium projects (excluding SSP) under AIBP were completed as of March 2008. In respect of five projects, no GoI assistance was released during 2004-08. While the reported fund utilization on the 14 projects during 2003-08 was 34 per cent of the balance estimated cost, only three per cent of the balance IP was created.

### 10.6.4 Status of Completion of Test-Checked Projects

Of the two test-checked medium projects;

- Bhadar-II Project was incomplete, due to thin release of funds, delay in acquisition of land for canals/ distributaries and rehabilitation and resettlement of a village being submerged. There was a 95 per cent shortfall in creation of IP. Also, the BC Ratio was deficiently calculated, by not including the cost of on-farm development, and had not been revised to take into consideration the increase in estimated cost of Rs. 65.46 crore.
- Mukteshwar Project was completed in December 2005 with a cost overrun of Rs. 30.43 crore and time overrun of four years attributed to delay in acquisition of land, protests by farmers over land acquisition, delay in preparing designs, and inadequate budget provisions. While, there was a marginal shortfall in creation of IP of four per cent, vis-à-vis the targeted IP, only 14 per cent of the IP created could be utilized.



Bhadar-II Project- Incomplete canal

**Chapter - 10**State  
Specific  
Findings**Gujarat**

Mukteshwar Project-Dry canal with Weeds and Siltation

**10.6.5 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

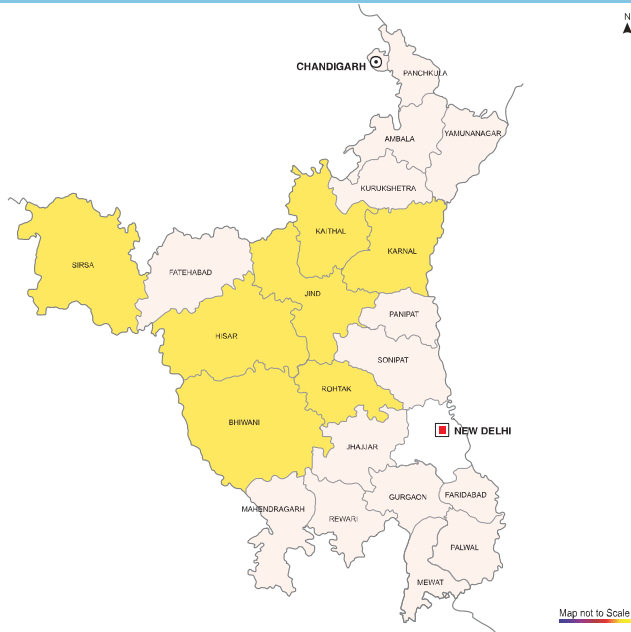
**Table S13 - Irregularities in Financial Management of AIBP Projects in Gujarat**

Nature of Irregularity	Details
<b>No allocations of Gol funds</b>	<ul style="list-style-type: none"> <li>During 2003-04, against allocation of Rs. 4.19 crore for major/medium projects (other than SSP), only Rs. 0.86 crore was released by Gol, and no allocations were made during 2004-08.</li> </ul>
<b>Irregularities in UCs</b>	<ul style="list-style-type: none"> <li>Instead of sending year-wise UCs, the State Government sent consolidated UCs in July 2004 for Rs. 10.86 crore for 1996-2004 for the Mukteshwar Project and Rs. 0.87 crore for Bhadar-II for 2003-04, without getting UCs from the project divisions; the authenticity of these consolidated UCs could, thus, not be vouchsafed. Further, UCs for Rs. 27.22 crore for 2001-04 for three ongoing projects were sent only in July 2004, while UCs for nine projects, completed by March 2003 for Gol assistance of Rs. 37.73 crore, had not been sent to Gol as of March 2008.</li> </ul>

**10.6.6 Monitoring and Evaluation**

The State Level Committee, which was formed only in May 2006, had not met or visited the projects during 2006-08. As regards SSP, the Board of Directors of SSNNL had constituted a project committee for monitoring progress in August 2007; except for approving contracts, this committee had not done any meaningful monitoring.

# HARYANA



## LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Country Capital	■
Coverage of Balance Works of WRCP	■





### 10.7.1 Background

The Water Resources Consolidation Project (WRCP), intended to achieve an increase in surface water supplies by reducing seepage losses and increasing the carrying capacities of major canals, received assistance of Rs 44.50 crore under AIBP during 1996-98 and was declared as completed in 2001-02. 'Balance Works of WRCP', like repair & rehabilitation of canals, bank strengthening, restoration/strengthening of structures like bridges and ghats etc, were approved for funding under AIBP in 2002. The project, which had an estimated cost of 135.74 crore, received GoI assistance of 46.05 crore. Expenditure of Rs 176.65 crore was incurred on the project, which was declared as completed in 2006-07.

### 10.7.2 Overall Status of Reported Completion of Project

- The project was reportedly completed in 2006-07. However, against the 104 distinct works to be completed by March 2007, 31 works were not taken up. Further, the shortage in completion of various components of work – earthwork, lining, structures, cement concrete etc. – ranged from 31 to 70 per cent, despite expenditure of Rs. 135.47 crore out of the projected cost on these components of Rs. 147.87 crore.
- Against the targeted IP of 44,000 ha, IP of only 24,240 ha was reportedly created up to March 2007. Even this figure was incorrect and unreliable, as 19 out of the 28 divisions audited intimated that no IP was created by the works executed by them under the project, as these works were in the nature of rehabilitation /repair of already existing infrastructure.
- The Engineer-in-Charge, Irrigation, Haryana replied (October 2008) that the IP targeted and created were calculated in a theoretical manner and did not depend upon the expenditure incurred on works; the response is not tenable as the targeted IP was to be calculated as per the AIBP guidelines, and the potential created was to be taken on actual basis. Further, the working papers for calculation of IP were not produced to audit.

**Chapter - 10**State  
Specific  
Findings**Haryana****10.7.3 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S14 - Irregularities in Financial Management of AIBP Projects in Haryana**

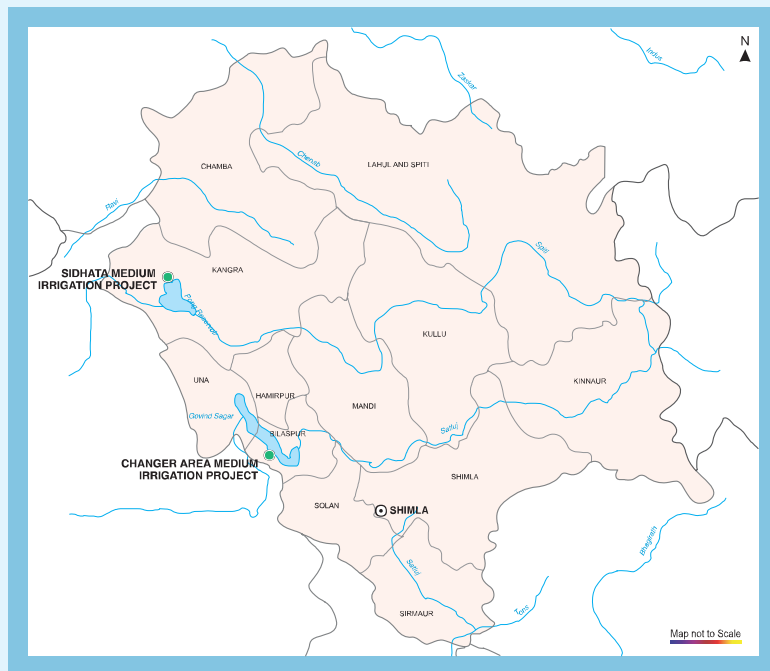
Nature of Irregularity	Details
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>■ Executive Engineer, Construction Division No.17, Kamal irregularly diverted funds amounting to Rs. 10.51 crore for AIBP works received in 2006-07, for payment of arbitration awards.</li> <li>■ Test check of records of Narwana Water Services Division Narwana revealed (September 2008) that Dhamtan Distributary was to be linked (2004-05) with Kalwan Feeder. Instead, the tail of the Dhamtan Distributary had been linked directly to Bhakra Main Line (BML) by constructing a link channel off taking at RD 538021-L of BML after incurring an expenditure of Rs. 4.83 crore; this was not an approved AIBP component.</li> </ul>
<b>Irregular expenditure</b>	<ul style="list-style-type: none"> <li>■ In 16 cases of six test checked irrigation circles, excess expenditure of Rs. 7.43 crore was incurred, without obtaining the sanction of competent authority.</li> <li>■ Test check of records of 8 divisions revealed that these divisions used AIBP funds amounting to Rs 5.01 crore for executing works that were not identified under the approved project.</li> </ul>

**10.7.4 Monitoring and Evaluation**

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.



# HIMACHAL PRADESH



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Medium Irrigation Projects	●



### 10.8.1 Background

During 1996-2008, GoI sanctioned one major, two medium, and 278 minor irrigation projects in Himachal Pradesh under AIBP. During 2003-08, GoI provided assistance of Rs. 213.69 crore, while the State contributed Rs. 29.88 crore. The entire available funds of Rs. 243.57 crore were shown as expended as of March 2008.

Of these, two medium Projects namely, Sidhata Medium irrigation Project at Jawali and Changer Area Medium Irrigation Project at Bassi, and 25 MI Projects were selected for detailed audit scrutiny.

### 10.8.2 Overall Status of Reported Completion of Projects

Despite being taken up during 1996-2000, none of the major and medium projects were completed. Of the 278 minor irrigation projects:

- All 60 minor irrigation projects sanctioned during 1999-2001 were reported as complete.
- 73 out of 102 projects sanctioned during 2005-06 were reported as completed.
- None of the remaining 116 projects, which were sanctioned during 2007-08, were completed as of March 2008.

### 10.8.3 Status of Completion of Test-Checked Projects

#### 10.8.3.1 Sidhata Medium Irrigation Project

This project, which was approved in February 2000 at a cost of Rs. 33.62 crore for completion by March 2005, had not been completed as of September 2008. Audit scrutiny revealed that:

- Only 2.04 km of the main canal had been completed, while several other components of the main canal e.g. pattra cutting over a length of 0.96 km, aquaducts over a length of 0.11 km in various isolated reaches, RCC box over a length of 4.12 km, and tunnel work over a length of 1.31 km remained to be executed.
- Out of six lift irrigation schemes, four LIS (Harian, Basantpur, Bagoor and Beh Maskar) had not been completed/commissioned, while one LIS (Kaloon) had been completed, but no irrigation was provided.
- As against the targeted irrigation potential of 3150 ha, only 185 ha of irrigation potential had been created.

## Chapter - 10

### State Specific Findings

#### Himachal Pradesh



The main reasons attributed for delay in completion were slow pace of execution of work, and railway land falling within the alignment of canal, the case for which was initiated with the Railways only in November 2004.

### Sidhata Medium Irrigation Project at Jawali as on September 2008



Pattra Cutting Work in Progress



Work held up due to railway land falling within canal alignment



**Chapter - 10**

State  
Specific  
Findings

**Himachal  
Pradesh**



Work in progress on aquaduct (RD 7.503 to 7.592 km)



RCC box not done

## Chapter - 10

State  
Specific  
Findings

Himachal  
Pradesh



Pump house of LIS Bagroor under construction



Non-laying of pipes of LIS Beh Maskar



## Chapter - 10

State  
Specific  
FindingsHimachal  
Pradesh

## 10.8.3.2 Changer Area Medium Irrigation Project

This project, which was approved in September 2000 at a cost of Rs. 28.37 crore for completion by March 2006, was still incomplete as of October 2008. Audit scrutiny revealed that:

- Out of the six zones of the project, works in only two zones had been completed, while works in the other zones had only been partly executed.
- Against the targeted irrigation potential of 2350 ha, only 176 ha of irrigation potential had been created as of March 2008.
- The reasons attributed for the time overrun were slow pace of execution of works, lack of effective planning of execution of different components, and non-obtaining of permission to transfer forest land for use for non-forestry purpose, for which the case was initiated with the forest department only in October 2008.



Work not executed due to forest land in  
Changer Area Medium Lift Irrigation Project at Bassi



Pumping machinery for Zone 2A not  
functioning due to lack of power supply

## 10.8.3.3 Minor Irrigation Projects

Audit scrutiny revealed that six minor irrigation projects (LIS to Village Majhiar Sera and Pakhrol Phase II, LIS-cum-FIS Kharahal, FIS Bakhnoj, LIS Kotla Ban, FIS Kardwan, and FIS Gojra Khakhnal, had not been completed, mainly due to:

- Non-starting of work/ slow pace of work;
- Delay in according of administrative approval and expenditure sanction, and finalization of tenders;
- Work of field channels and other components being stopped by villagers, due to failure to obtain their written consent in advance.

## Chapter - 10

### State Specific Findings

#### Himachal Pradesh



Further, of these six projects, three projects (LIS Kotla Ban, FIS Kardwan and FIS Gojra Khakhnal) were incorrectly declared as completed, even though several major components were yet to be completed. In one case (FIS Kardwan), the limited irrigation potential created was only utilized in the Rabi cropping season, and no irrigation was provided in the Kharif cropping season.



Incomplete Sump well of LIS-cum-FIS Kharahal



Work at FIS Kakhnoj stopped due to objections of villagers

### 10.8.4 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S15 - Irregularities in Financial Management of AIBP Projects in Himachal Pradesh**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In two medium projects (Sidhata Medium Irrigation Project and Changer Area Medium Irrigation Project) and one minor irrigation project (LIS cum FIS Sarwari River to Kharhal), compensation of Rs. 1.03 crore due on account of non-completion of work within the stipulated time was not recovered from the contractors.</li> </ul>
<b>Injudicious payment</b>	<ul style="list-style-type: none"> <li>In Sidhata Medium Irrigation Project, in one of the implementing Divisions, instead of charging the advance payments of Rs. 2.27 crore to Miscellaneous Works Advances, these were charged to the final head of account of the Project.</li> </ul>
<b>Irregular utilization of budget</b>	<ul style="list-style-type: none"> <li>Funds amounting to Rs. 0.79 crore released through Letter of Credit for two MI projects (FIS Gojra Khakhnal &amp; LIS cum FIS Sarwari River to Kharhal) were debited to final heads of accounts of the works, without actual execution, and the entire amount was kept under the deposits head.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>In 4 divisions, CLA/grant of Rs. 39.79 lakh for the execution of 5 AIBP irrigation schemes (1 medium and 4 minor) were utilized between March 2006 and March 2008 on other schemes.</li> </ul>

### Chapter - 10

State  
Specific  
Findings

Himachal  
Pradesh



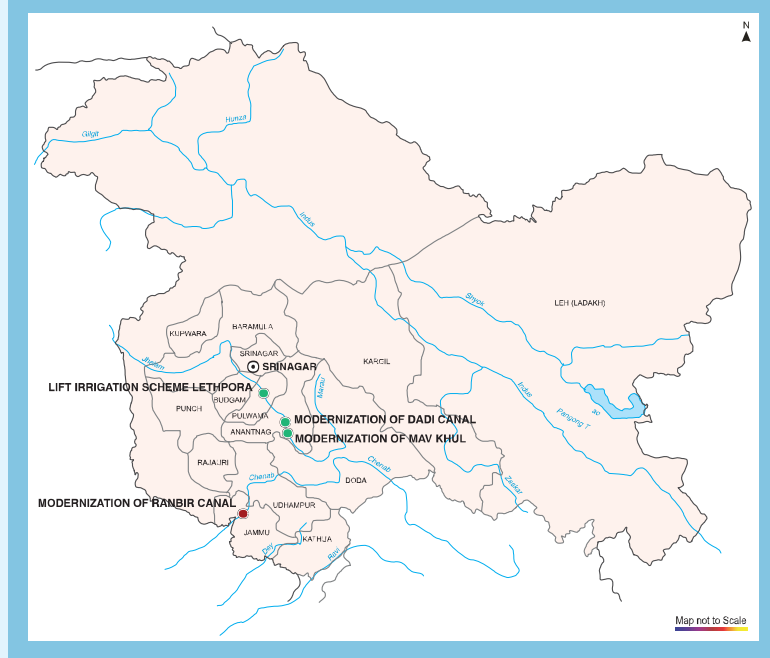
### 10.8.5 Monitoring and Evaluation

- No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.
- As per the instructions of the Engineer-in-Chief, the C.Es, S.Es and E.Es were required to conduct 4, 6 and 12 inspections of works in a year. However, during audit scrutiny of the test-checked projects only 6 inspection notes were made available to Audit. The authenticity of reported inspections could, thus, not be verified.





## JAMMU & KASHMIR



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●
Medium Irrigation Projects	●

**Note:** The Co-ordinates of Modernization of Ranbir Canal, Modernization of Dadi Canal, Modernization of Mav Khul and Lift Irrigation Scheme Lethpora were not provided by the CWC.



### 10.9.1 Background

During the period from 1996-97 to 2008-09 (August 2009), GoI approved 14 major/ medium and 391 minor irrigation projects under AIBP and released Rs. 229.06 crore of assistance during 2002-08. Of these, one major, three medium and 19 minor irrigation projects were selected for detailed audit scrutiny.

### 10.9.2 Overall Status of Reported Completion of Projects

Of the 14 major/ medium projects, 4 projects were declared as completed, while 47 out of the 391 minor irrigation schemes were reported as completed (of which only 7 schemes were completed within the stipulated time).

Overall, 86,094 ha of IP was created against the envisaged IP of 198,659 ha. In respect of the 51 completed schemes, IP of only 28,237 ha was created against the envisaged potential of 34,912 ha.

### 10.9.3 Status of Completion of Test-Checked Projects

Audit scrutiny revealed that:

- Out of the 23 test-checked schemes, despite expenditure of Rs. 119.45 crore during 1996-2008, only three schemes (LIS Lethpora, Improvement to Wani Aram Canal, and Remodelling of Basantpur Canal) were declared as completed. Even out of these three schemes reported as completed, completion certificate for the Remodelling of Basantpur Canal minor irrigation project was wrongly issued, since remodeling of 2.10 km out of 6.30 km of the main canal was not completed as of October 2008.
- Out of the four test-checked major/ medium schemes, two schemes (Modernisation of Ranbir Canal and Modernisation of Dadi Canal) were not completed in time, due to slow pace of execution, execution of additional works, and late release of funds. This resulted in cost overrun of Rs. 18.77 crore, and time overrun of 6 months to 5 years.
- One minor irrigation project, Lift Irrigation Scheme, Saidgarh, was abandoned / suspended after expenditure of Rs. 0.66 crore, as the available water source and the additional water source identified were not sufficient for irrigation.
- Against the envisaged irrigation potential of 43,938 ha for the 23 test-checked projects, only 17,204 ha of potential was created; no potential had been created in 8 projects, despite incurring of expenditure. In respect of the two completed projects, the IP created was only 740 ha against the envisaged potential of 3,632 ha.

## Chapter - 10

State  
Specific  
Findings

Jammu &  
Kashmir



Unlined Portion of Ranbir Canal



Headworks of Dadi Canal

**Chapter - 10**

State  
Specific  
Findings

**Jammu &  
Kashmir**



Abandoned well at LIS Saidgarh



Unlined Portion of Basantpur Canal

**Chapter - 10**State  
Specific  
Findings**Jammu &  
Kashmir****10.9.4 Planning and Approval of Projects**

Audit scrutiny revealed the following irregularities in selection/ prioritisation of schemes:

- Rs. 1.25 crore of AIBP funding was irregularly released during 2008-09 to one scheme – Construction of Unis Ujroo Khul – which was being financed from another scheme, the Rashtriya Sam Vikas Yojna.
- GoI irregularly released Rs. 14.92 crore during 2008-09 for the Modernisation of Ranbir Canal Project, which had not been cleared by the Planning Commission as of June 2008.

**10.9.4.1 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S16 - Irregularities in Financial Management of AIBP Projects in Jammu & Kashmir**

Nature of Irregularity	Details
<b>Delayed release of funds</b>	■ There were delays ranging between 28 and 184 days in release of funds by the department in respect of 12 out of 23 test-checked schemes during the period 2004-05 to 2007-08.
<b>Funds lying unutilised</b>	■ Out of the total Central assistance of Rs. 229.06 crore during 2002-08, Rs. 17.99 crore remained unutilized as of March 2008. Further, matching State share of Rs. 1.02 crore could not be utilized during the same period.
<b>Parking of funds under deposits</b>	■ In one division, an amount of Rs. 0.44 crore was parked under deposits as of March 2008.
<b>Diversion of funds</b>	■ Funds of Rs. 2.02 crore in respect of 3 out of 23 test-checked schemes were diverted/utilized on activities/items not related to the programme of AIBP / approved schemes reports of the schemes during the period 2003-04 to 2007-08.
<b>Reflection of Inflated figures of expenditure</b>	■ Rs. 0.62 crore was irregularly reflected as expenditure incurred in the utilization certificate issued to the Government of India in respect of LIS Saranoo Thathi, when the whole amount was mainly advanced to various agencies.

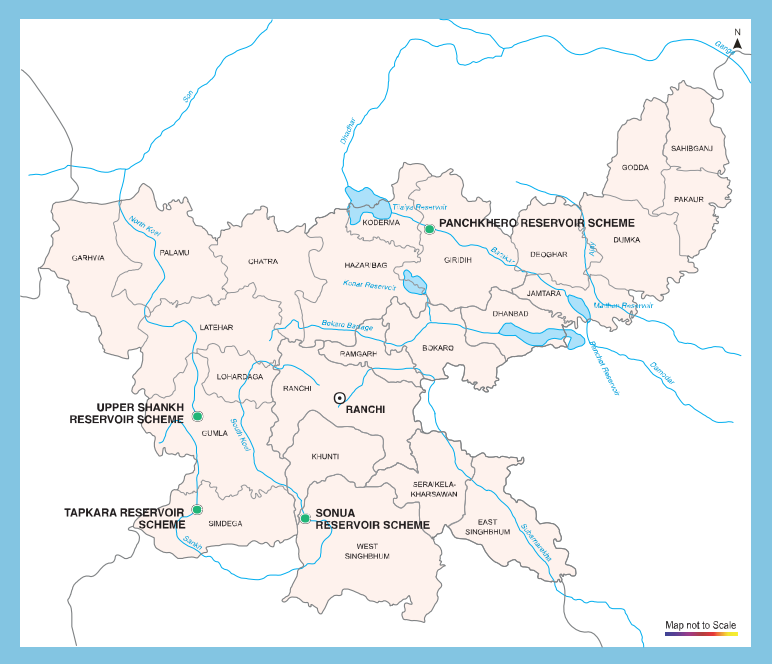
**10.9.5 Monitoring and Evaluation**

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.





## JHARKHAND



## LEGEND

- State Capital 
- State Boundary 
- District Boundary 
- Medium Irrigation Projects 

**Note:** The Co-ordinates of Tapkara Reservoir Project were not provided by the CWC.



### 10.10.1 Background

GoI sanctioned 1 major and 8 medium irrigation projects under AIBP during 1998-2005. During 2002-08, GoI provided assistance of Rs. 48.34 crore and the State contributed Rs. 203.21 crore, out of which the reported expenditure, as of March 2008, was Rs. 210.15 crore. Out of the 9 projects taken up, 4 medium projects were selected for detailed audit scrutiny.

### 10.10.2 Overall Status of Reported Completion of Projects

Of the 9 major/medium irrigation projects, only two projects (Latratu Reservoir project and Tapkara Reservoir project) had been completed, and one project (Torari Reservoir project) had been kept in abeyance since 1999-2000 due to public hindrances.

### 10.10.3 Status of Completion of Test-Checked Projects

Audit scrutiny of the four test-checked medium projects revealed that:

- Only one project, Tapkara Reservoir Project, was completed. Even from this project, irrigation was provided only in 311 ha, against the targeted CCA of 2,732 ha. The targeted CCA was not being achieved due to heavy leakage of water from the main canal from chainage 0 to 100 kms, thin flow of water in chainage 101 to 150 kms, and no water flow beyond 150 kms, as the construction of aquaduct, branch canal and distributaries and repair/ maintenance work had not been undertaken.
- For the three ongoing projects, the cost overrun ranged from 10 to 15 times of the original cost, and the time overrun ranged from 18 to 25 years. Non-acquisition of land was the main cause of non-completion of the three ongoing projects.
- Unsynchronised execution of various components (Dam/head works, main/branch canals, distributaries and water courses) was seen in all four projects, as summarised below:

**Table S17 - Unsynchronised Execution of Project components in Jharkhand**

Projects	Unsynchronised Execution of AIBP components
Panchkhero Reservoir	The dam and main/ branch canals were 56 and 28 per cent complete; no work on distributaries and water courses was done.
Sonua Reservoir	The dam and main/ branch canals were 98 and 83 per cent complete; no work on distributaries and water courses was done.
Tapkara Reservoir	The dam and main/ branch canals were 100 and 75 per cent complete; no work on distributaries and water courses was done.
Upper Shankh Reservoir	The dam and main/ branch canals were 99 and 58 per cent complete; 25 per cent work on distributaries was done, but no work was done on water courses.

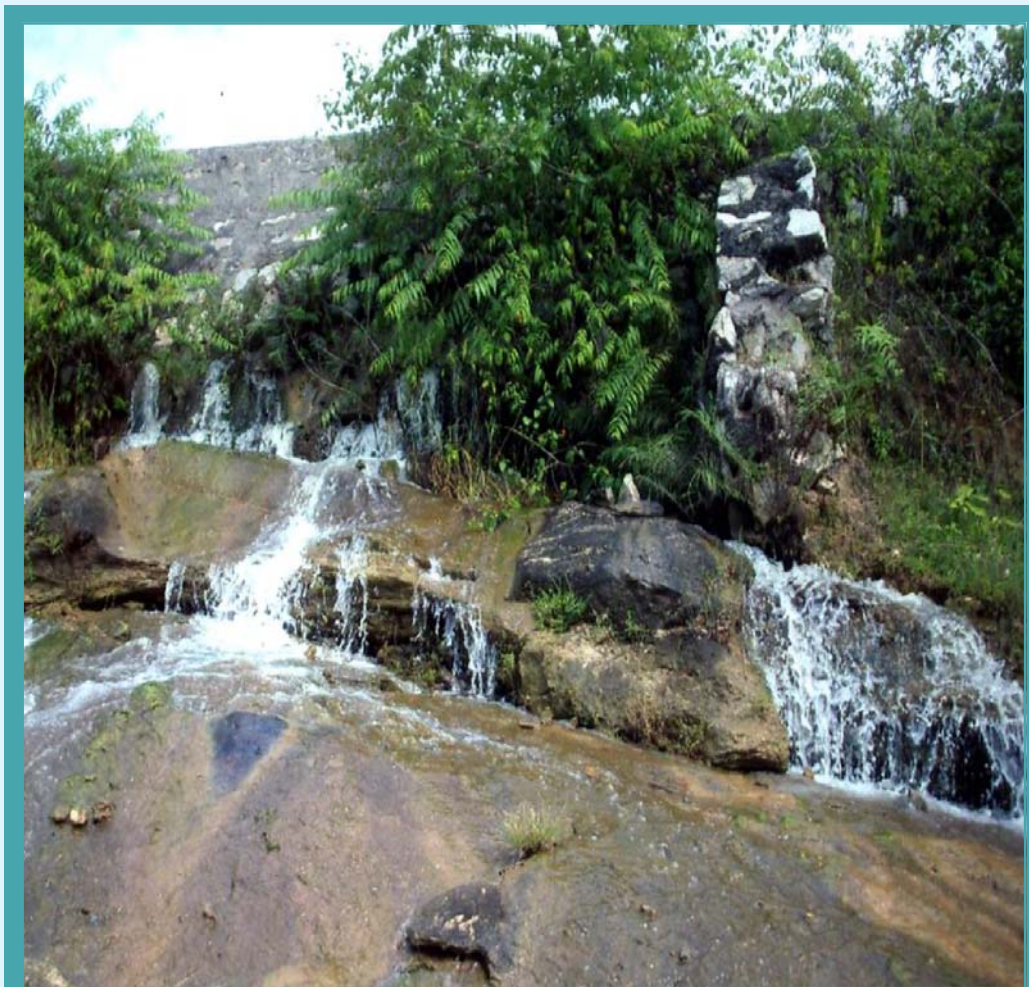
## Chapter - 10

### State Specific Findings

### Jharkhand



- 114 works in the four selected projects were incomplete after a lapse of 1 to 18 years. Their non-completion was attributed to delay in land acquisition, public hindrance, delay in payment of land compensation, and the Naxal-affected nature of the area.
- 175 out of the 271 families affected by submergence in the Sonua and Panchkero Reservoir Projects had not been compensated.



Damage of canal boulder masonry wall at Chainage 11 km of Tapkara Project



**Chapter - 10**

State  
Specific  
Findings

**Jharkhand**



No water and need for bush clearing at Chainage 319 km of Tapkara Project



Incomplete aquaduct in Sonua Project

**Chapter - 10**State  
Specific  
Findings**Jharkhand**

Incomplete work in Left Main Canal of Panchkero Reservoir Project

- The BC Ratio for the Sonua Reservoir Project was incorrectly depicted in the DPR at 1.29 instead of 0.91, since it was wrongly based on data from Hazaribagh District, instead of Chaibasa District. Similarly, a recomputation of the originally projected BC Ratio of 2.64 for the Tapkara Reservoir Project on the basis of the actually utilized irrigation potential resulted in a BC Ratio of just 0.22. At these BC Ratios, the projects were not economically viable.
- The revised DPR for the Sonua Reservoir Project, on account of the estimated 35 per cent increase in cost in 2005, was not sent to MoWR for receiving clearance from the Planning Commission.
- Three out of four projects required 105.38 ha of forest land. However, in the case of Sonua and Tapkara Reservoir Projects, forest clearance had not yet been obtained, although the construction of the reservoir/ dam was almost complete and forest land had already been submerged. In the case of the Upper Shank Reservoir Project, the conditional clearance by the MoEF in August 1998 stipulated a penalty of Rs. 0.37 crore, as the construction had started without prior clearance.



### 10.10.4 Financial Management

Audit scrutiny revealed the following irregularities in Financial Management:

**Table S18 - Irregularities in Financial Management of AIBP Projects in Jharkhand**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In Upper Shankh Reservoir project, a sum of Rs 2.13 crore was irregularly paid to two contractors for meeting price escalation of materials, fuel and labour charges of the construction of earthen dam, though the clause for payment to meet price escalation was not incorporated in agreements executed with the contractors.</li> <li>In Sonua and Upper Shankh Reservoir Projects, in case of 14 agreements (2 Agreements of Sonua and 12 agreements of Upper Shankh), a sum of Rs 1.76 crore due as penalty/liquidated damages for not completing the works within stipulated time frame was not recovered/short recovered from the contractors.</li> </ul>
<b>Parking of funds</b>	<ul style="list-style-type: none"> <li>In Panchkhero, Sonua and Upper Shankh Reservoir Projects, Rs 6.86 crore was advanced for land acquisition between March 2001 to June 2007, of which only Rs 2.91 crore was adjusted, leaving a balance of Rs 3.95 crore in the bank, parked for periods ranging between 15 and 102 months. Similarly, in Panchkhero Reservoir Project, fund for rehabilitation amounting to Rs 6.55 crore was drawn by the division and advanced to Rehabilitation Officer during February 2005 to March 2008 but neither the account of expenditure nor any record, though called for, was made available to audit.</li> </ul>
<b>Irregular expenditure</b>	<ul style="list-style-type: none"> <li>An expenditure of Rs 14.33 lakh was incurred on unapproved works by diverting the fund of Sonua Reservoir Project during the period 2002-04 without obtaining sanction from GOI.</li> </ul>

### 10.10.5 Monitoring and Evaluation

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.

## Chapter - 10

State  
Specific  
Findings

## Jharkhand



# KARNATAKA



## LEGEND

- State Boundary
- District Boundary
- State Capital
- Major Irrigation Projects

Note: The Co-ordinates of Varahi Irrigation Project were not provided by the CWC.



### 10.11.1 Background

GoI sanctioned 6 major and 3 medium irrigation projects under AIBP in Karnataka during 1996-2008. While GoI assistance during this period was Rs. 3110.11 crore, the State's contribution was Rs. 1738.93 crore, and the entire amount of Rs. 4845.04 crore was reported as incurred, as of March 2008.

Of these 9 projects, 4 projects namely, Varahi, Upper Krishna Stage I (Ph-III), Upper Krishna Project Stage II and Karanja were selected for detailed audit scrutiny.

### 10.11.2 Overall Status of Reported Completion of Projects

Of the 9 Major/ Medium Irrigation Projects taken up till 2006-07, only one medium project (Maskinala) had been completed. Against the originally envisaged period of 24 to 36 months for completion, the time overrun ranged from 33 to 114 months. The cost over-run as per the latest revised estimates ranged from 24 to 302 per cent. Further, as against the targeted irrigation potential of 6,05,912 ha, the IP created as of March 2008 was 5,17,081 ha.

### 10.11.3 Status of Completion of Test-Checked Projects

Audit scrutiny revealed that:

- None of the four test-checked projects viz. UKP Stage-I (Phase III), UKP Stage-II, Varahi and Karanja, could be completed as of March 2008. The time overrun ranged from 3 years to 9 years, and the cost overrun ranged from Rs. 148 crore to Rs. 810 crore.
- The reasons attributed by the implementing agencies for shortage of creation of IP were slow progress of work due to land acquisition and rehabilitation and resettlement problems, non availability of declared command in some projects, and non clearance of bottlenecks in main canals and distributaries. Further, there was short utilization of created IP due to non-completion of canal works/ distributaries and non-completion of approach works, non creation of field irrigation channels and poor inflow of water in the catchment area.

**Chapter - 10**State  
Specific  
Findings**Karnataka**

Bottleneck in tail end of Almatti Left Bank Canal of Upper Krishna Project Stage-II

**10.11.4 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

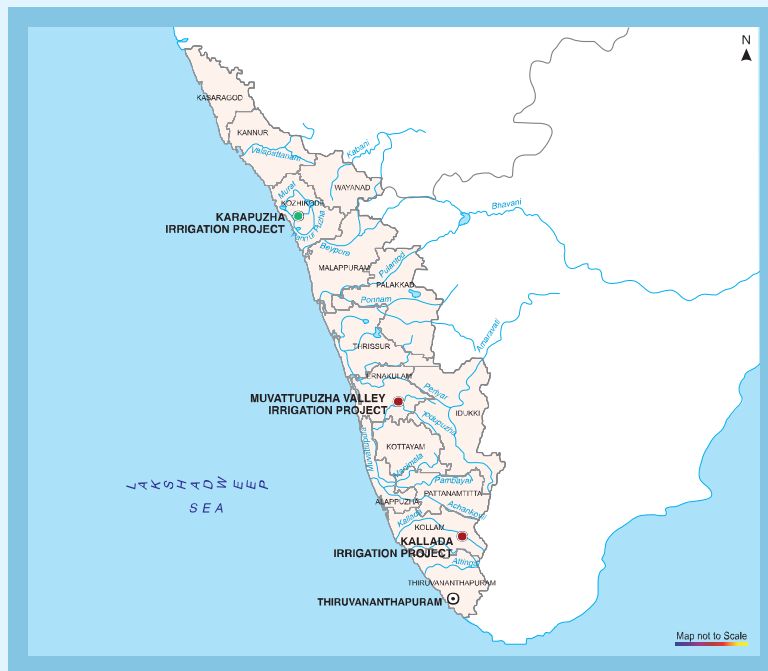
**Table S19 - Irregularities in Financial Management of AIBP Projects in Karnataka**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In Upper Krishna Project – Stage II, non levy of penalty for delay in supply of pumps resulted in non recovery of Rs. 3.60 crore from the pump supply contractor.</li> </ul>
<b>Embezzlement of funds</b>	<ul style="list-style-type: none"> <li>Funds worth Rs.1.39 crore were reported to have been embezzled in 10 cases in Krishna Bhagya Jala Nigam Limited (KBJNL), and departmental enquiry had been initiated in 2006.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>In two projects ( Upper Krishna Project – Stage II and Karanja Project), funds amounting to Rs. 8.08 crore were diverted for incurring expenditure on non-AIBP components viz. payment of bills pertaining to earlier periods on works and rehabilitation (Rs. 3.22 crore), maintenance of buildings &amp; equipments (Rs. 2.24 crore), beautification of works (Rs. 2.04 crore) and payment of electricity bills (Rs. 0.58 crore).</li> </ul>
<b>Avoidable extra expenditure</b>	<ul style="list-style-type: none"> <li>In respect of various works under Upper Krishna Project – Stage II, designs and specifications were not properly examined/adopted, leading to avoidable extra expenditure of Rs.5.93 crore on two works due to defective estimation, and of Rs. 8.12 crore on four canal works due to provision of 100 mm thickness of Cement Concrete lining instead of a maximum thickness of 75mm.</li> </ul>

**10.11.5 Monitoring and Evaluation**

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.

# KERALA



LEGEND	
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●
Medium Irrigation Projects	●

**Note:** The Co-ordinates of Karapuzha Valley Irrigation Project, Muvattupuzha Valley Irrigation Project and Kallada Irrigation Project were not provided by the CWC.





### 10.12.1 Background

GoI approved two major projects, namely Kallada Irrigation Project (KIP) and Muvattupuzha Valley Irrigation Project (MVIP), and one medium project, namely Karapuzha Irrigation Project (KRP) under AIBP during 1996-2008 and released assistance of Rs 106.40 crore during 2003-08. After including the State share, the total availability of funds during 2003-08 was Rs. 271.64 crore, against which the reported expenditure was Rs 232.54 crore. All three projects were selected for detailed audit scrutiny.

### 10.12.2 Overall Status of Reported Completion of Projects

Of the three major/medium irrigation projects, only one project (Kallada Irrigation Project) had been completed.

### 10.12.3 Status of Completion of Test-Checked Projects

#### 10.12.3.1 Kallada Irrigation Project (KIP)

The project was reportedly completed and commissioned in 2004. Audit scrutiny, however, revealed that:

- Subsequent revised estimates after the revised estimate of Rs 163.67 crore, approved in 1981, had not been submitted for investment clearance by the Planning Commission.
- Only 60 per cent, 25 per cent and 22 per cent of the work for three distributaries - Mynagappally, West Kallada Minor, and Kottapuram Minor could be completed as of August 2008, due to shortage of labourers and strike in quarry.
- The Poovathoor Distributary was completed, except for the 70m of railway crossing portion. Consequently, out of the total ayacut area of 514 ha, 314 ha could not be utilized.
- The Bhoothakulam Minor Distributary was completed in March 2006, except in Ch.0m to 250m due to non shifting of telephone cables and water supply lines from the existing cross roads.

## Chapter - 10

State  
Specific  
Findings

Kerala



Bottleneck in work of Railway Portion of Poovattoor Distributary of Kallada Irrigation Project



Pulamon Distributary of Kallada Irrigation Project – Canal filled with grass and plantations on the banks

### 10.12.3.2 Muvattupuzha Valley Irrigation Project (MVIP),

The project was included under AIBP in 2000-01, with target date of completion of March 2010. Audit scrutiny revealed that:

- Out of the envisaged 6 branch canals and 60 distributaries, only 2 branch canals and 34 distributaries were completed. Works of branch canals for 13.61km (23 percent) and distributaries for 81.824 km (34 percent) were yet to be completed.
- Two works due to be completed in June 1998 and November 2003 were not completed as of August 2008 due to abandonment of the work by one contractor.
- Three works could not be completed as of August 2008 due to non availability of land, as these works had been awarded before getting government sanctions for acquisition of land.

**Chapter - 10**State  
Specific  
Findings**Kerala**

- The work of construction of Manjoor Distributary was completed, except from Ch.732m to 891m at the Railway crossing portion.
- The work, Ettumanur Branch Canal – Construction of aquaducts from Ch.18028m to 18525m, was completed in April 2005, except 2 piers on either side of the Railway boundary and an aquaduct barrel over the Railway line.
- The Mulakulam branch canal having a length of 6770 m was completed, except the portion from Ch.5650m to 6770 m. The reported reasons for non completion were the peculiar nature and geography of the site and heavy seepage and sliding of earth.
- Further, in two divisions (Thodupuzha and Muvattupuzha), expenditure of Rs 5.74 crore was incurred on unapproved works.



Non-initiation of work on Ezuthonipadam Aquaduct over Railway Line in Muvattupuzha Irrigation Project



Non-initiation of siphons on Railway line of Manjoor Distributary of Muvattupuzha Irrigation Project

**Chapter - 10**State  
Specific  
Findings**Kerala****10.12.3.3 Karapuzha Irrigation Project (KRP)**

The project was included under AIBP in 2006-07, with target date of completion in 2010. Audit scrutiny revealed that:

- Two works were completed after a delay of 16 and 61 months due to delay in finalization of designs and approval of revised estimates by the Department.
- Two other works, due to be completed by January 2005 and December 2005, were not completed, due to delay in payment of part bills, unfavorable weather conditions and non availability of materials.
- Only the main canals were completed, and the spill way was not completed. Out of branch canals of length 41.89 km, only 17.15 km (41 per cent) of the branch canals and only 2.12 km (3 per cent) of the distributaries were completed.

**10.12.4 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S20 - Irregularities in Financial Management of AIBP Projects in Kerala**

Nature of Irregularity	Details
<b>Short release of funds</b>	■ There was short release of Rs. 29.60 crore during 2003-08 by the State Government to the implementing agencies.
<b>Rush of expenditure</b>	■ In KIP, the entire expenditure of Rs. 0.75 crore was incurred during the last quarter in 2005-06, while in MVIP, the expenditure incurred during the last quarter in 2003-06 was Rs 110.65 crore. This was attributed to release of funds by the State Government in the last quarter.

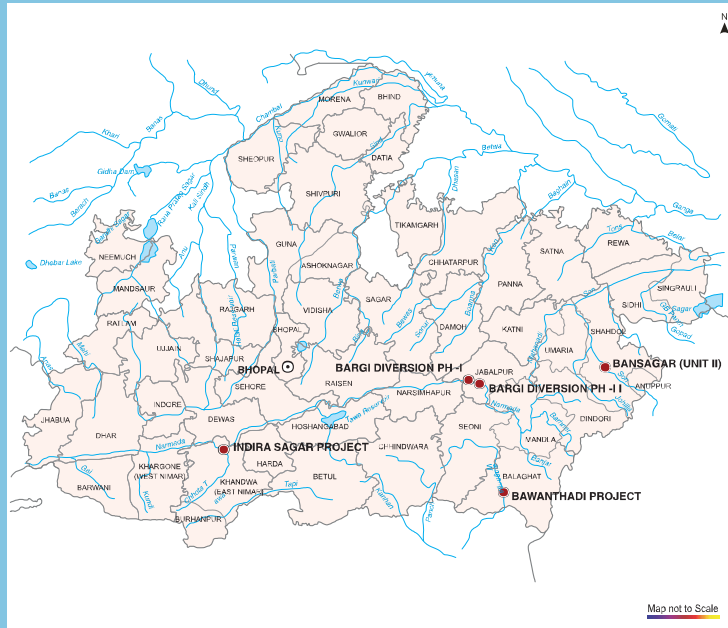
**10.12.5 Monitoring and Evaluation**

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.





# MADHYA PRADESH



## LEGEND

State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●

**Note:** The Co-ordinates of Bargi Diversion PH-I, Bargi Diversion PH-II, Bansagar (Unit II), Bawanthadi Project and Indira Sagar Project were not provided by CWC.





### 10.13.1 Background

112 Major, 3 Medium and 163 Minor Irrigation Projects were taken up under AIBP during 1996-2008. During 2002-08, GoI funding was Rs. 1860.21 crore, while the State share was Rs. 308.44 crore. Out of the available funds of Rs. 4491.00 crore (including unspent balance from previous years of Rs. 2322.40 crore), the expenditure incurred during 2002-08 was Rs. 3486.58 crore.

Of these projects, five major irrigation projects, namely Bawanthadi Project (Rajiv Sagar), Bargi Diversion Project – Phase II (Canal RD Km. 63-104), Bansagar Project – Phase II (Canal), Bargi Diversion Project – Phase I (Canal RD Km. 16-63) and Indira Sagar Project (Canal), and 16 minor irrigation projects under two river basins i.e. Chambal, Betwa, Bhopal and Narmada Tapi, Indore were selected for detailed audit scrutiny.

### 10.13.2 Overall Status of Reported Completion of Projects

Of the 15 major/ medium Projects taken up under AIBP during 1996-2004, only 5 Projects could be completed and the remaining 10 projects were incomplete. Of these, 2 projects were sanctioned in 1996-97, 1 project in 1998-99, and 2 projects in 2000-01; none of the 5 projects sanctioned during 2001-04 were completed.

Of the 163 minor irrigation projects,

- 17 projects were taken up in 2006-07, of which only 1 Project could be completed and 16 projects were ongoing as of March 2008.
- 146 Projects were sanctioned in 2007-08, of which 9 projects could not be started, and the remaining 137 projects were ongoing as of March 2008.

### 10.13.3 Status of Completion of Test-Checked Projects

Audit scrutiny revealed that none of the test-checked five major projects and only one out of 16 minor projects (Chhagola Project, Dist. Jhabua ) were completed as of March 2008.

Further details of the projects are summarized below:

- In Bawanthadi Project, the most critical item of the project i.e. river closure was not done till October 2008, and the primary dam section of the project remained incomplete, although main/branch canals were almost complete.

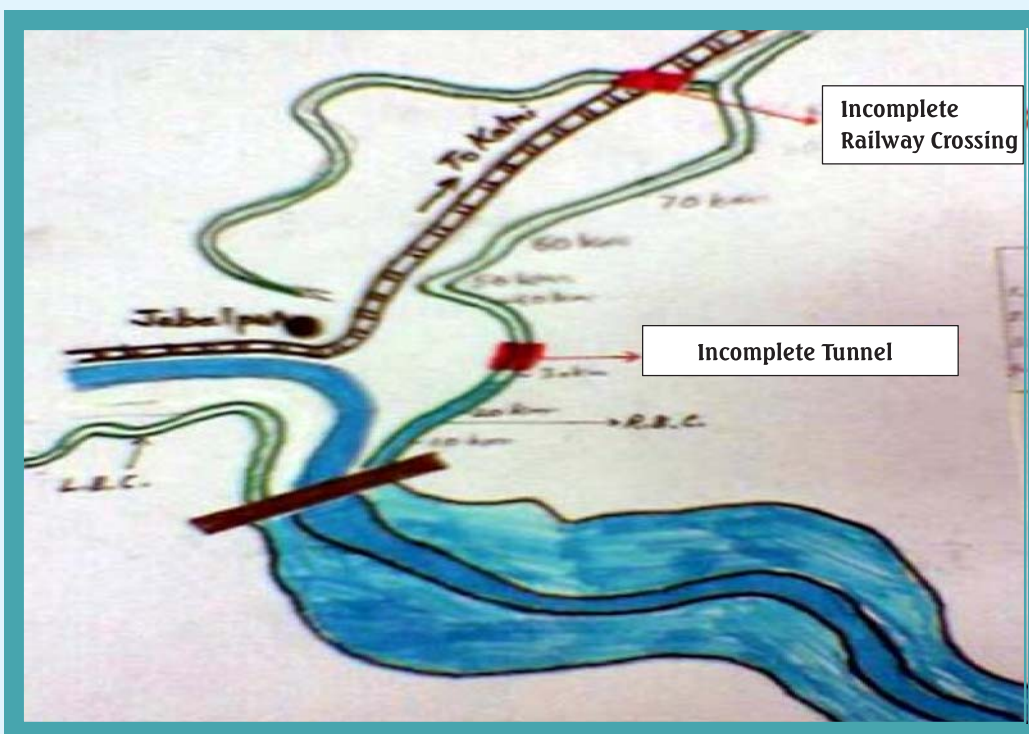
## Chapter - 10

State  
Specific  
Findings

Madhya  
Pradesh



Incomplete river closure of Bawanthadi Project



Bargi Diversion (Phase- I & II) – Madhya Pradesh, Diagram showing incomplete tunnel at Rd. km 33 to 35 and incomplete railway 'X'-ing at the starting reaches of Majholi branch canal

**Chapter - 10**State  
Specific  
Findings**Madhya  
Pradesh**

The Bargi Multipurpose Dam was completed in the year 1988-1989. The Right Bank Canal (RBC)-taking off from Bargi Dam was re-named as Bargi Diversion Project (BDP) in 1992. Works in RD Km. 16 to Km 63 and RD Km. 63 to Km 104, of this canal, were taken up under AIBP in 2002-03 as Bargi Diversion Project Phase I and Phase II, respectively.

- In Bargi Diversion Phase – I Project (Canal RD Km 16-63 Km), the Work in RD Km. 16 to km 63 was taken up under AIBP in 2002-03, at an estimated cost of Rs.315.64 crore to irrigate 21194 ha, with target date of completion in May 2003. However, as of October 2008, the work was still under execution and only 7748 ha of IP had been created, of which IP of 710 hectare only could be utilized primarily due to non-completion of tunnel work in Km. 33-35. The delay in execution of tunnel work deprived utilization of IP beyond RD Km. 35. Further, works against administrative approval of Rs. 1101.00 lakh were split into as many as 10 different groups and awarded to a firm without adequately assessing its ability for simultaneous completion of so many groups on schedule. This resulted in unwarranted delays/abandonment/rescinding of all the 10 contracts. It also attracted litigations-and avoidable time/cost escalations on re-awards of the rescinded works to other contractors.



Incomplete tunnel work at road 33 to 35 km of Bargi Diversion Project – Ph-I

**Chapter - 10**State  
Specific  
Findings**Madhya  
Pradesh**

- Bargi Diversion Phase – II Project ( Canal RD Km 63-104 Km), was taken up under AIBP in 2002-03 at an estimated cost of Rs.295.00 crore, to irrigate 31889 ha, with target date of completion in December 2004. However, as of October 2008, the work was still under execution and no IP was created, mainly on account of non-completion of critical work of canal crossing of a main railway line at the starting reaches, which was neither identified in original DPR nor in adhoc proposals for fund under AIBP. Moreover, there was no point in taking up the Bargi Diversion (Phase II) Project, when the essential works of the phase –I project were still incomplete.
- In Bansagar Project (unit-II - Canal), the completed portions of the Right Bank Main canal in the initial reaches (between km 0 to 38) were having serious design deficiencies. The canal was able to carry only 1.5 cumecs against the envisaged 2.77 cumecs essential for achieving the designed irrigation potential through subsequent feeder canal network.
- Indira Sagar Project (Canal) was bifurcated into two phases (e.g. phase –I, upto 71 km. and phase – II, from 71 to 142 km). Both phases of canal remained incomplete even after a time overrun of over 5 years and an expenditure of Rs. 1182.00 crore (March 2008). The district road bridge at RD 42.31 km of main canal was still incomplete even after lapse of 12 years (since 1996-97). This left the created capacity beyond 42.31 km. totally un-utilizable.

**10.13.3.4 Planning and Approval of Projects**

Audit scrutiny of test-checked Projects revealed the following:

- In Bawanthadi Project, the Benefit Cost Ratio was inflated irregularly to 1.76, by ignoring the land development cost and irregularly adding a new item viz. cultivation in galper land (submergence area in summer season) without considering the actually irrigable area.
- In Bansagar Project (Unit-II - Canal), the BC Ratio was inflated due to deviations from guidelines on account of (i) non provision for higher depreciation on pumping mains/lines and other electrical/mechanical system being made, (ii) losses of cultivation in canal submergence areas not assessed and (iii) interest on capital being understated due to non-inclusion of land development costs.
- The B.C. ratio of the minor irrigation tank projects test-checked were found to be inflated. The significant deviations were (i) maintenance of headwork @ 1 per cent not added in annual costs (ii) cost of land development of command area not computed and added in project costs (iii) loss of agriculture in submergence area not deducted from annual benefits and (iv) charging lower depreciation of 1 per cent ( 100 years life) instead of 2 per cent for minor tanks (50 years life).

### 10.13.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S21 - Irregularities in Financial Management of AIBP Projects in Madhya Pradesh**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In Bargi Diversion Project, price escalations amounting to Rs.53.27 lakh were irregularly paid to a contractor.</li> <li>In Indira Sagar Project–(Canal), two contractors were awarded turn-key contracts and irregularly paid interest free mobilization advances of Rs. 45.00 crore, before actual work started.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>The government of Madhya Pradesh was liable to pay Rs. 165.73 crore from the state budget to Namada Hydro Development Corporation for irrigation share of the dam to protect its 49 per cent share holding in the joint venture Company with NHPC after transferred assets valuations. But it was noticed in the revised DPR for Unit II, that AIBP grants were incorrectly diverted for this payment of Rs 165.73 crore without obtaining approval of MoWR.</li> </ul>

### Chapter - 10

State  
Specific  
Findings

**Madhya  
Pradesh**



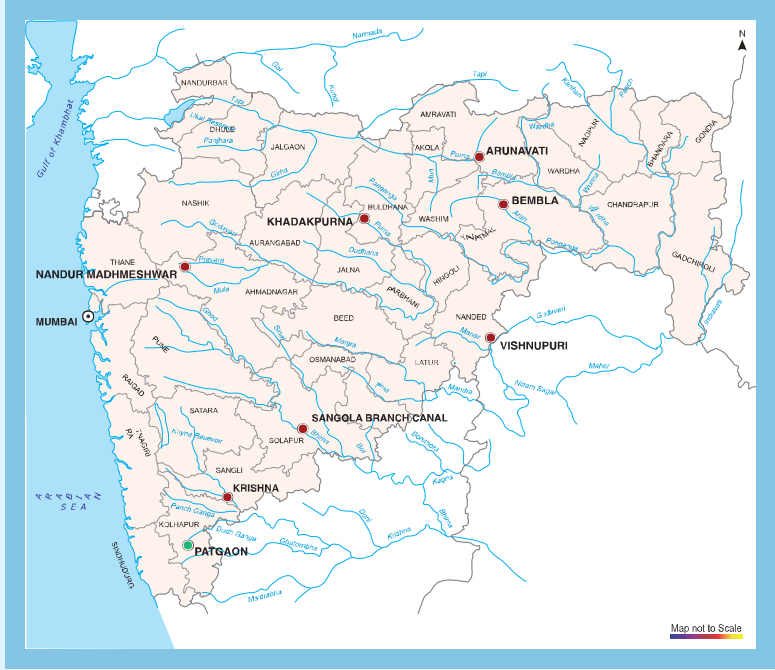
### 10.13.6 Monitoring and Evaluation

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.





# MAHARASHTRA



LEGEND	
State Boundary	—
District Boundary	—
State Capital	⊙
Major Irrigation Projects	●
Medium Irrigation Projects	●

Note: The Co-ordinates of Sangola Branch Canal, Vishnupuri Project, Krishna and Patgaon Project were not provided by the CWC.



### 10.14.1 Background

Since 1996-97, 58 major/medium projects and 134 minor projects of the State of Maharashtra were included under AIBP. GoI released Central Loan Assistance (CLA) of Rs 1099.04 crore and Rs 2483.33 crore respectively as grants for completion of these irrigation projects. Further, the government of Maharashtra released Rs 1732.93 crore as its matching share. However, details of expenditure were not made available to Audit, as the state government did not maintain project-wise details of disbursement for all the AIBP Projects. The extent of utilization of GoI funds for AIBP funds could not be verified<sup>21</sup>.

Of the above projects, 8 major/medium and 15 MI projects were selected for detailed audit scrutiny.

### 10.14.2 Overall Status of Reported Completion of Projects

- Out of the 58 Major and Medium Projects taken up under AIBP, only 17 Projects could be completed as of March 2008; however, none of these projects had yet been commissioned.
- Further, despite non-completion of the earlier projects in hand, the State Government kept on including new projects, and MoWR approved these project for inclusion under AIBP, as detailed below:

**Table S22 - Inclusion of new AIBP Projects in Maharashtra**

Year	No. of ongoing projects under AIBP at the beginning of the year	No. of projects completed	No. of new projects included under AIBP	Balance ongoing projects at the end of the year
2003-04	21	7	1	15
2004-05	15	5	3	13
2005-06	13	4	8	17
2006-07	17	Nil	12	29
2007-08	29	1	13	41

- The issue of certain states (including Maharashtra) cornering the vast majority of AIBP funds during 2005-08, without linkages to the completion of AIBP projects and providing an incentive for inclusion of AIBP projects driven by construction work, has already been highlighted in paragraph 7.1 of this report. This, further, shows lack of commitment by the State Government in completing the older

<sup>21</sup> The release of central assistance, state share, and expenditure incurred on AIBP components in respect of the test-checked projects was, however, ascertained by audit through field scrutiny of records of the project implementing agencies.

**Chapter - 10**State  
Specific  
Findings**Maharashtra**

projects sanctioned under AIBP, with attention being focused on inclusion of fresh projects under AIBP and receipt of GoI assistance therefor.

- In the State, 33,13,48 ha of IP was stated to have been created under AIBP at a total cost of Rs.5163.00 crore as of March 2008. However, as only the AIBP components of the projects had been completed and not the project as a whole (which included non AIBP components too), the projects could not be commissioned and the created IP could not be utilized.
- In respect of MI Projects, though 124 projects were sanctioned during 2006-07 and 2007-08, details regarding their status (ongoing/ completion etc.) were not available with the State Government.

**10.14.2.1 Inclusion of fraction of components of projects**

In the cases of major and medium projects, inclusion of projects under AIBP actually amounted to inclusion of project components, that too in fractions. However, the BC Ratio calculated and approved by CWC was based on the entire project cost and projected benefits to be derived from the completed project. Detail of the components which were proposed to be completed under AIBP in the selected Major and Medium Irrigation Projects were as listed below:

**Table S23 - Inclusion of fractions of Components of Projects under AIBP in Maharashtra**

S.No.	Name of the project	AIBP components
1	<b>Bembala</b>	4 per cent Head works, 65 per cent Main & branch canal, 90 per cent Distributaries
2	<b>Arunawati</b>	1 per cent Left Bank Canal, 3 per cent Distributaries, 34 per cent Water courses
3	<b>Khadakpurna</b>	20 per cent Earthen Dam, 40 per cent Main Dam, 68 per cent Main canal, 78 per cent LIS, 95 per cent Distributaries
4	<b>Vishnupuri</b>	36 per cent Main & Branch canal, 24 per cent Distributaries, 24 per cent Water courses
5	<b>Patgaon</b>	1 per cent Embankment, 9 per cent spillway, 50 per cent Gates
6	<b>Sangola Branch Canal</b>	Main Canal and its Branches 0 km to 103 km
7	<b>Krishna River</b>	0 km to 204 km of Main canal and branches of Arphal canal
8	<b>Nandur Madhmeshwar Canal</b>	Express canal lining work 0 to 128 km and distribution system

Clearly, the MoWR & CWC failed to assess the economic viability of the AIBP components of these projects, before release of GoI funds. The lack of viability of such fractured funding of projects under AIBP was confirmed by their non-commissioning and non-utilisation of IP, due to non-completion of the other (non-AIBP) components.

### 10.14.3 Status of Completion of Test-Checked Projects

Out of the test-checked projects, only three<sup>22</sup> major projects and one<sup>23</sup> medium project were declared as completed in terms of AIBP components. However, two projects (Vishnupuri and Patgaon) out of the four projects were not commissioned<sup>24</sup> due to non-completion of non-AIBP components. None of the test-checked projects were executed as per the physical and financial programme projected in the AIBP proposals. In four<sup>25</sup> projects, divisions could not start the work and in five<sup>26</sup> projects, nearly 50 per cent of the grant could not be utilized mainly due to non availability of land (private and forest), rehabilitation issues and opposition from Project affected persons, etc.

Audit scrutiny of individual projects revealed the following:

- Patgaon Irrigation Project (Medium) was declared as completed in March 2007 at a revised cost of Rs.82.20 crore. However, the irrigation potential of 1992 ha said to have created under AIBP could not be utilized, as out of 17 Kolhapur Type (K.T) Weirs, four K.T. Weirs had collapsed and four K.T. Weirs required major repairs costing Rs 4.27 crore.
- In Bembala River Project, the construction of Dam and spillway was completed before June 2007 and water was stored in the reservoir from June 2007. However, due to non acquisition of land for 2.3 km of canal length in chainage 0 to 1.5 km and 1.7 to 2.5 km, the work of construction of the main canal was stopped since July 2007, and no irrigation was possible.
- The work of construction of 6 MIs (Chaupala MI Tank, Deopudi M.I, Sangamwadi M.I. Tank, Mawalgaon Storage Tank, Mirzapur M.I. Tank and Chopan M.I.) was hindered due to delay in land acquisition.

## Chapter - 10

State  
Specific  
Findings

## Maharashtra



<sup>22</sup> Vishnupuri (completed 2005-06), Arunawati (completed 2008-09), Krishna ( completed 2008-09),

<sup>23</sup> Patgaon (completed in 2006-07).

<sup>24</sup> In respect of the other two projects (Arunawati and Krishna) formal gazette notification for commissioning of the projects had not been issued.

<sup>25</sup> Bhandarwadi, Mawalgaon, Ucchil, Wazar

<sup>26</sup> Chopan, Daul Hipparga, Sangamwadi, Sangola Branch Canal, Sindgi

## Chapter - 10

State  
Specific  
Findings

### Maharashtra



Incomplete Minors in Krishna Project



Canal work in progress in Kadakpurna River Project



Slow progress of canal works in Arunawati River Project



**Chapter - 10**

State  
Specific  
Findings

**Maharashtra**



Repairs to the existing KT weirs in Patgaon Medium Project yet to be carried out



Chaupala MI Project – Canal work stopped due to land acquisition problems and obstructions from framers



Deoputi MI Project – Non-completion of Canal work in first 300 metre due to land acquisition problems

## Chapter - 10

State  
Specific  
Findings

**Maharashtra**



Mirzapur MI Project – Non-completion of canal work due to land acquisition problems



KT Weir at Inamgaon – Non-completion of work despite availability of sufficient funds



## Chapter - 10

State  
Specific  
Findings

## Maharashtra



## 10.14.3.1 Creation and Utilisation of Irrigation Potential

- Out of 23 Major/ Medium/ Minor Irrigation Projects test-checked in audit, the targeted IP was created in only seven projects. However, in respect of the test-checked 8 major/medium projects, the IP creation was theoretical, as it pertained only to the AIBP components.
- In Daul Hipparga Storage Tank, the work of construction of dam was almost completed and irrigation potential of 900 Ha was created (June 2007). However, only 478.75 Ha was handed over (January 2008) to the Water Users Association.
- In Vishnupuri Project, the project (AIBP component) was declared completed (March 2006) with creation of 2636 Ha of irrigation potential. However, as the Part-I works of the command area were not completed, the created irrigation potential could not be utilised.
- In Dhamangaon Storage Tank, the project was completed (March 2007) with 256 ha of irrigation potential. However, the created irrigation potential could not be utilised due to non existence of facilities for lifting the water and non formation of Water Users Association.

## 10.14.4 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

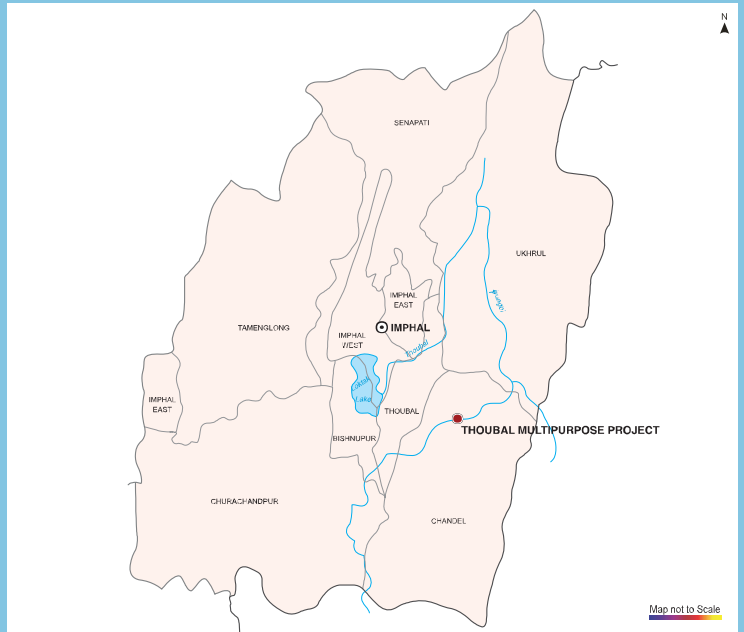
Table S24 - Irregularities in Financial Management of AIBP Projects in Maharashtra

Nature of Irregularity	Details
Undue benefits to contractors	<ul style="list-style-type: none"> <li>■ An amount of Rs 9.74 crore was passed on as undue benefit to contractors on account of price escalations and payment for work after expiry of the validity period of the contract and without obtaining extension.</li> </ul>
Delayed release of funds	<ul style="list-style-type: none"> <li>■ In Vishnupuri Project, the State Government delayed release of AIBP assistance of Rs 4.00 crore to the implementing agency by 64 months.</li> <li>■ In Bhandarwadi K.T.Weir and Wazar Storage Tank, despite the availability of funds, there was delay in approval/ issue of work orders.</li> <li>■ The State Government did not furnish the details of project wise disbursement of Central Assistance to Audit, as they were reportedly not maintained by them.</li> </ul>
Irregular expenditure	<ul style="list-style-type: none"> <li>■ Irregular expenditure amounting to Rs 13.51 crore was incurred on items such as engaging agencies for works relating to obtaining environmental clearance, making payment for unapproved components and for works executed prior to the inclusion of projects under AIBP.</li> </ul>

## 10.14.5 Monitoring and Evaluation

Neither any State level / Project level monitoring committee had been constituted to monitor the implementation of the programme nor any study / performance evaluation of the AIBP projects was conducted with reference to improvement in irrigation efficiency.

# MANIPUR



## LEGEND

Intl. Boundary	
State Boundary	
District Boundary	
State Capital	
Major Irrigation Projects	



### 10.15.1 Background

During 1996-2008, GoI sanctioned 2 major, 1 medium and 678 minor irrigation projects and provided assistance of Rs. 457.80 crore. Of these, one major project, namely Thoubal Multipurpose Project (TMP), and 20 MI projects were selected for detailed audit scrutiny.

### 10.15.2 Overall Status of Reported Completion of Projects

None of the 3 major/ medium projects were completed as of March 2008. Of the 678 minor irrigation projects,

- All 436 projects sanctioned during 1999-2000 and 2005-06 were reported as completed.
- None of the 242 projects sanctioned during 2007-08 were reported as completed.

### 10.15.3 Execution of Test-Checked Projects

The Thoubal Multipurpose Project (TMP) was originally approved by the Planning Commission in 1980 at an estimated cost of Rs.47.25 crore. However, the due date for completion of the project was rescheduled several times, purportedly due to financial constraints and law and order problems. The latest due date for completion was March 2009 at a revised estimated cost of Rs.715.81 crore. Despite expenditure of Rs.521.24 crore as of March 2008, the project was still incomplete. Construction of the main components of the project i.e. dam and spillway was only 45 per cent and 60 per cent respectively, while the progress of canals and distribution work were 88 per cent and 68 per cent respectively. Further, a joint field visit revealed that:

- Water was found flowing through the Left Main Canal (LMC) upto RD 13.939 km and Charangpat Branch Canal (CBC) upto RD 6.30 km during the rainy season only. Thereafter, the flow of water was hindered due to siltation and grasses/weeds.
- Construction of a canal syphon at RD 25.518 km was discontinued.



## Chapter - 10

State  
Specific  
Findings

### Manipur



Thoubal Multipurpose Project - Siltation & shrubs/ weeds in canal



Thoubal Multipurpose Project – Non-functional canal syphon at RD 25.518 km.

None of the 20 selected MI Projects were completed as of March 2008. During field visits and interaction with farmers, it was observed that the farmers were getting benefits mainly during the rainy season as there was insufficient water during lean season.



### 10.15.4 Planning and Approval of Projects

Audit scrutiny revealed that 15 MI Projects out of the 211 MI Projects sanctioned during 2005-06 and shown to have been completed in March 2007 had again been included in the 242 new projects sanctioned afresh in 2007-08 at a total estimated cost of Rs.10.43 crore.

### 10.15.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S25 - Irregularities in Financial Management of AIBP Projects in Manipur**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	■ An amount of Rs 7.57 crore was passed on as undue benefit to contractors on account of payments made on unapproved works, escalation charges, and by adopting incorrect rates, non recovery of penalty for non-completion of the works within the stipulated time frame and for non-employment of technical staff.
<b>Diversion of funds</b>	■ In TMP and Minor Irrigation Projects, funds amounting to Rs. 3.74 crore were diverted for non AIBP components viz. construction of staff quarter, office building, wall fencing, approach road, purchase of vehicle, camera, stationery, petrol, repair works, payments to Work Charged & Muster Roll staff, payment of electricity bills etc.
<b>Delay in release of funds</b>	■ There were delays, ranging from 10 days to 450 days, in release of funds for the major/ medium and minor irrigation projects by the State Government to the implementing agencies.
<b>Short release of funds</b>	■ There was short release of Rs.3.47 crore of Gol assistance by the State Government, which was wrongly reported to Gol as utilised.
<b>Parking of funds</b>	■ Rs. 47.60 crore of funds, during 2006-08, were parked under deposits and withdrawn/ utilised in the subsequent financial year.
<b>Irregular expenditure</b>	■ Expenditure of Rs 4.80 crore was incurred on commencing work on previously abandoned works.

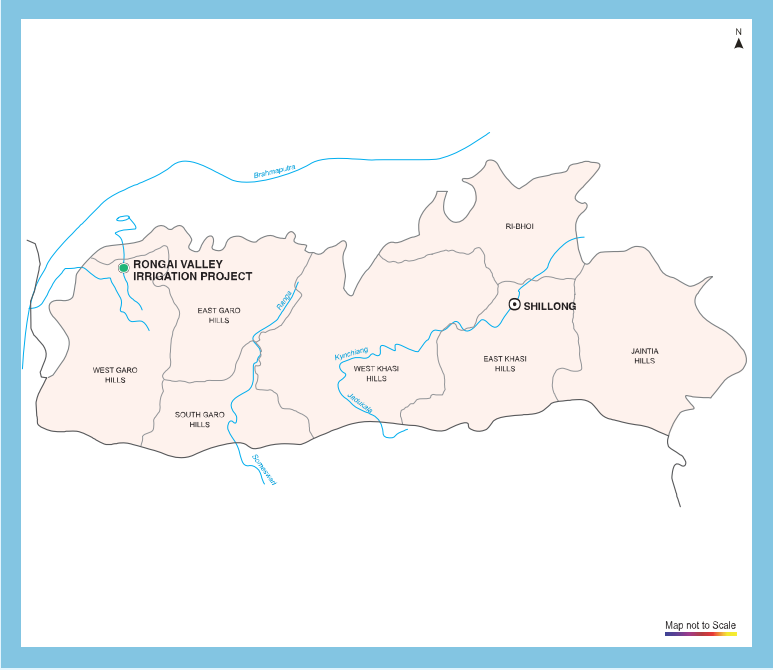
### 10.15.6 Monitoring and Evaluation

Audit scrutiny revealed that:

- Only six visits had been made by the CWC for TMP during 2003-08.
- Similarly, for the MI Projects, no external independent agency was engaged for monitoring and no evaluation was carried out to assess the benefit in terms of irrigation potential created and actually utilised. Also, no Water Users' Association of MIPs had been formed in any of the selected projects.



# MEGHALAYA



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Medium Irrigation Projects	●



### 10.16.1 Background

GoI approved one medium irrigation project - Rongai Valley Project and 74 minor irrigation schemes during 1996-2008 and provided assistance of Rs.21.00 crore during the period. Of these, Rongai Valley Project and 11 minor irrigation projects were selected for detailed audit scrutiny.

### 10.16.2 Overall completion of Projects

The only medium irrigation project, Rongai Valley Project, was incomplete. Of the 74 minor irrigation projects:

- 20 out of 47 projects sanctioned during 1999-2001 were still incomplete.
- 27 projects sanctioned during 2007-08 had not yet been taken up for want of administrative approval.

### 10.16.3 Status of Completion of Test-Checked Projects

#### 10.16.3.1 Rongai Valley Project

Rongai Valley Irrigation Project was taken up in January 1990 at an estimated cost of Rs. 16.30 crore for completion within four years. The Project envisaged construction of a 76.4 metres long barrage across river Rongai and unlined canals of 7.5 Km and 9.75 Km long on the left and right banks respectively to irrigate 5,153 hectares of land annually in the West Garo Hills District. In 2000-01, the project was brought under AIBP and Rs. 4.00 crore assistance was provided by GoI. However, audit scrutiny revealed that the project was still incomplete, even after 18 years from the date of its sanction, despite expenditure of Rs. 17.90 crore, as summarised below:

- In April 2003, the completion of the barrage was suspended, after 95 per cent execution, due to the contractor's refusal to continue the work, pending sanction of revised estimates and payment of bills. No physical progress had since been made.
- No further assistance had been provided by GoI due to increase in the project cost. Revised cost estimates had not been approved by the GoI as they were not as per the guidelines of the CWC and the Planning Commission.
- In September 2007, GoI had advised that no work be taken up, until the entire land for the canal system was acquired. However, no land had been acquired for the canal system and follow up action on this aspect could not be ascertained.

**Chapter - 10**State  
Specific  
Findings**Meghalaya****10.16.3.2 Minor Irrigation Projects**

The MoUs in respect of the minor irrigation projects sanctioned under AIBP during 1999-2001 were not signed by the State Government. Also, nine out of the eleven test-checked projects could not be completed within the prescribed time schedule, and the delay in completion ranged between one and six years, as detailed below:

**Table S26 - Status of MI Projects in Meghalaya**

S.No.	Name of Project	Date of Start of Project	Target Date of Completion	Status/ Actual Date of Completion	Approved Cost (Rs. in Lakh)	Actual Expenditure	Reasons for delayed completion/ non-completion
1	Chiljora Flow Irrigation Project (FIP)	1999 - 2000	2001-02	Completed/ 2003-04	110.36	114.30	Delay in award of works
2	Gandual FIP	2002-03	2004-05	Completed/ 2005-06	53.53 (O) 61.30 (R)	63.79	Delay in award of works
3	Ringdee FIP	2000-01	2002-03	Ongoing	272.05	260.85 as on March 2008	Inadequate planning and unsynchronized execution of work
4	Andherkona FIP	2001-02	2003-04	Completed/ 2006-07	231.74 (O) 339.33 (R)	330.31	Required revision due to inclusion of additional items of works
5	Kharukol FIP	1999 - 2000	2001-02	Completed/ 2007-08	106.44 (O) 127.93 (R)	127.93	Required revision due to inclusion of additional items of works
6	Galasara FIP	2001-02	2003-04	Completed/ 2006-07	49.37 (O) 60.60 (R)	60.60	Delay in issue of work order
7	Lyting Lyngdoh FIP	2001-02	2003-04	Completed/ 2003-04	30.60	30.79	Completed
8	Madan Jynru FIP	2001-02	2003-04	Completed/ 2004-05	47.20	49.01	Defective site selection
9	Lyngkholi FIP	2001-02	2003-04	Completed/ 2005-06	192.72	202.26	Land acquisition problem
10	Pynthor song FIP	1999 - 2000	2000-01	Completed/ 2000-01	22.49	22.52	Completed
11	Mynrud Moopasor FIP	1999 - 2000	2001-02	Ongoing	64.64 (O) 73.87 (R)	73.45 as of March 2008	Incomplete due to one contractor not taking up the work



**Chapter - 10**State  
Specific  
Findings**Meghalaya**

Gandual MI Project – Cross Regulator in the earthen canal with no water in the canal



Ringdee MI Project – Headwork in progress

**10.16.4 Planning and Approval of Projects**

Audit scrutiny of eleven selected MI projects revealed that there were no records of conduct of survey, and the DPRs did not cover various important aspects viz. hydrological and metrological investigations, availability of potential ground water, and details of command area showing climate, seasonal distribution etc. Further, some of the MI Projects, despite being declared as completed, were not able to provide the desired benefits, as discussed below:

- In the Madan Jynru FIP the discharge at the tail end was low, due to improper alignment of the pipeline, which was shifted from the original alignment due to quarrying activities along the hill slope.

## Chapter - 10

### State Specific Findings

### Meghalaya



- In Lyngkhoi FIP, Lyting Lyngdoh FIP and Pynthor Song FIP, despite the fact that the projects were completed and supplementary works were executed, the supply of water at the tail end continued to be less due to unequal and improper distribution of water and lack of effective participation of the beneficiaries.



Lyngkhoi MI Project – Less water at the tail end



Lyting Lyngdoh MI Project – Water being distributed among farmers through PVC pipes

### 10.16.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S27 - Irregularities in Financial Management of AIBP Projects in Meghalaya**

Nature of Irregularity	Details
<b>Short release of funds</b>	■ There was shortfall of 4 to 44 per cent in release of funds by the State Government to the implementing agencies.
<b>Non-release of Central share</b>	■ During 2007-08, only the State share of Rs.0.51 crore was released and the Central share of Rs.1.16 crore was not released. However, even despite these limited funds, there were savings of 1 to 50 per cent during 2003-08 by the executing divisions.
<b>Irregularities in UCs</b>	■ The Statements of Expenditure were forwarded along with Utilisation Certificates to the Government of India during 2003-04 to 2006-07 without getting them audited by the Accountant General.

### 10.16.6 Monitoring and Evaluation

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme

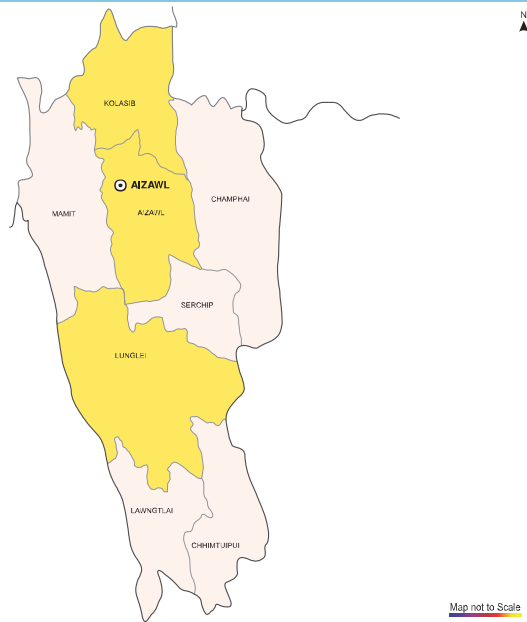
## Chapter - 10

State  
Specific  
Findings

## Meghalaya



## MIZORAM



### LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	⊙
Coverage of Minor Irrigation Projects	■



## Chapter - 10

State  
Specific  
Findings

## Mizoram



## 10.17.1 Background

During 1999-2008, 186 MI Projects were sanctioned under AIBP in Mizoram. During 2003-08, GoI had released assistance of Rs.72.19 crore, against which the State Government released Rs. 86.20 crore, including the State share, to the implementing agencies. Seven MI Projects in three Divisions namely, Aizawl, Lunglei and Kolasib, were selected for detailed audit scrutiny.

## 10.17.2 Overall Status of Reported Completion of Projects

Out 186 MI Projects sanctioned during 1999-2000 to 2007-08, 124 MI projects were completed and 62 projects were ongoing.

## 10.17.3 Status of Completion of Test-Checked Projects

Three projects, namely, Sakelui- Thingsul, Saphak – Pangzawl and Saihapui in three selected divisions were reported as completed, as per the physical progress report furnished by the State. However, during physical verification and also as reported by the departmental authorities during audit, the projects were still under progress.



Reservoir under construction in Saihapui MI Project under Kolasib division



**Chapter - 10**State  
Specific  
Findings**Mizoram**

Earthen dam and spillway under construction in Saihapui MI Project under Kolasib division

**10.17.4 Planning and Approval of Projects**

- Despite the fact that the topographical and geographical condition of the areas falling under the three divisions test-checked were similar, there was wide variation in the projected cost per ha of the sample test-checked of the three divisions, which ranged between Rs.1.52 lakh per ha to Rs.2.92 lakh per ha i.e. a variation of 92 percent . Moreover, sanctioning of projects with cost per ha of more than Rs. 1 lakh (revised to Rs. 1.5 lakh in December 2006) was in contravention of the AIBP guidelines. Wide variation in projected cost of these projects suggest that the estimates were theoretical.
- The correctness of the BC Ratio in all the test-checked and the authenticity of the data could not be vouchsafed, as the data was reportedly collected in oral form. Even the change in cropping pattern projected in the DPR was reportedly on the basis of the general oral opinion collected during detailed survey and investigation of the area.

**10.17.5 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S28 - Irregularities in Financial Management of AIBP Projects in Mizoram**

Nature of Irregularity	Details
<b>Irregular Utilization Certificates</b>	<p>Utilization Certificates were used to wrongly report a higher expenditure to MoWR as detailed below:</p> <ul style="list-style-type: none"> <li>■ In Chhimluang- Saitual project, the expenditure reported to MoWR in December 2007 was Rs. 120.53 lakh, whereas the expenditure reported to Audit by the departmental authorities was only Rs. 65.36 lakh.</li> </ul>

## Chapter - 10

State  
Specific  
Findings

## Mizoram



Nature of Irregularity	Details
<b>Irregular Utilization Certificates</b>	<ul style="list-style-type: none"> <li>In Tuichar- Lungpher project, the expenditure reported to MoWR in December 2007 was Rs. 83.42 lakh, whereas the expenditure reported to Audit by the departmental authorities was only Rs. 64.00 lakh.</li> <li>In Saichhun Thualthu project, the expenditure reported to MoWR in December 2007 was Rs. 130.67 lakh, whereas the expenditure reported to Audit by the departmental authorities was only Rs. 70.32 lakh.</li> <li>In Saphak, Pangzawl project, the expenditure reported to MoWR in December 2007 was Rs. 189.52 lakh, whereas the expenditure reported to Audit by the departmental authorities was only Rs. 120.51 lakh.</li> </ul>
<b>Irregular expenditure</b>	<ul style="list-style-type: none"> <li>In three projects in Aizawl District, the authenticity of payment of Rs. 0.94 crore to labour/ firms could not be verified, as payments were made to the labourers through deficient muster rolls/ payment made to anonymous firms.</li> </ul>
<b>Delay in release of funds</b>	<ul style="list-style-type: none"> <li>During 2003-04 to 2007-08, the Ministry of Finance had released the Central funds of Rs.72.19 crore in instalments to the State Government i.e. for 2003-04 during December to March; for 2004-05 in March 2005; for 2005-06 during September to January; for 2006-07 during December to March and for 2007-08 during April to March. However, the different implementing agencies were funded, together with the State's matching share in batches only in the month of March i.e. at the fag end of the years 2003-04, 2004-05, 2005-06 &amp; 2006-07 and during December to March of 2007-08. Thus, the Gol allocation was not released by the State Government of Mizoram within 15 days of its receipt to the Implementing agencies.</li> </ul>

### 10.17.6 Outcome and impact of the MI Projects

Out of 186 MI Projects sanctioned up to 2007-08 under AIBP, 124 projects were stated to have been completed with an expenditure of Rs. 92.75 crore as of March 2008. However, a comparative analysis of the production data of some of the major crops in the State, based on information given to audit, revealed that during 2001-02 to 2007-08, the production of major crops like Paddy, Maize, Oilseeds, Sugarcane and Potato had not increased significantly.

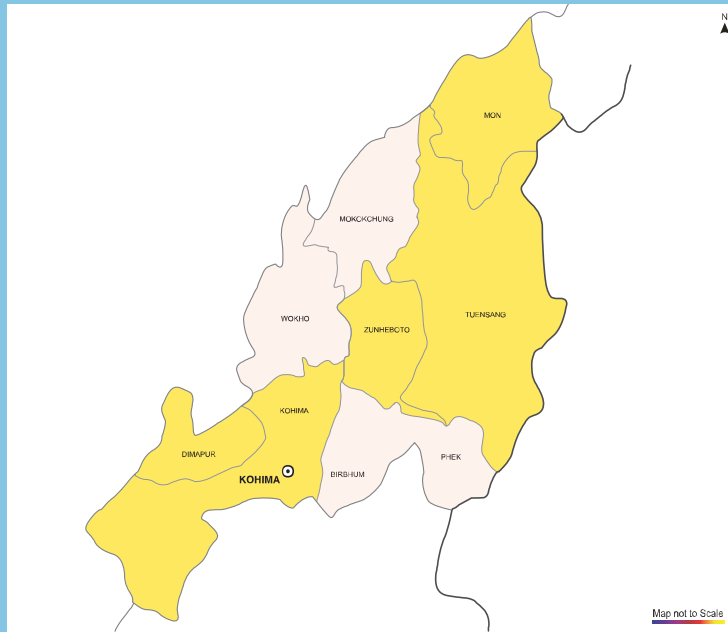
### 10.17.7 Monitoring and Evaluation

Monitoring of the AIBP Projects was deficient as:

- No State level monitoring committee had been formed.
- No performance evaluation in the State had been carried out for improvement in irrigation utilization and usage efficiency.
- The CWC and MoWR authorities had not carried out any monitoring inspections of the selected projects.



# NAGALAND



## LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	●
Coverage of Minor Irrigation Projects	■



### 10.18.1 Background

During 1999-2008, GoI approved 965 MI Projects under AIBP, of which 424 projects were approved during 2003-08. GoI released Rs.71.09 crore of central assistance during 2003-08 and the State Government contributed Rs.15.33 crore as its share, with a total reported expenditure of Rs.89.10 crore. Of the above 424 projects, 17 projects were selected for detailed audit scrutiny.

### 10.18.2 Overall Status of Reported Completion of Projects

Out of the 469 MI Projects being executed during 2003-08 (424 new projects and 45 ongoing projects), 395 Projects were reportedly completed, and 74 Projects were ongoing as of March 2008.

### 10.18.3 Status of Completion of Test-Checked Projects

Out of the 17 selected MI Projects, 11 Projects, which were sanctioned in 2006-07, were reportedly complete. Seven projects (Chathe Ph II, Aphughoki MI, Nyapongsum Ph II, Kherezhu MI, Tishi, Longnok Tegee MI and Thezairie) out of these 11 projects were complete, while four projects (Langlong MI, Langlong - Ph II MI, Awokupughoki MI and Dikhu Valley) were still in progress.

Scrutiny of the records and physical verification of the test-checked projects revealed the following:

- The work Langlong MI project – Phase I was shown as completed in November 2007 at a cost of Rs.5.12 crore. However, the value of the work done was only Rs.3.61 crore upto March 2008 according to the progress report furnished to audit, which was also corroborated by a joint verification which revealed that the work was in progress.
- In the two projects- Langlong MI Project - Phase II and Awokupughoki MI Project, which were reported as complete, the physical progress was only 20 per cent. The physical progress in Dikhu Valley MI Project, which was also reported as complete, was 90 per cent.
- The construction of Nzu minor irrigation project under Kohima Division was taken up in December 2007 at a cost of Rs.0.30 crore and as of March 2008, the value of work done was Rs.0.15 crore and the physical progress was 20 per cent as per measurement book. However, the Executive Engineer intimated that the project was yet to start.

## Chapter - 10

### State Specific Findings

#### Nagaland



- As per the measurement books, the work of Kicheliqa MI Project was started in November 2007 and the value of work done till October 2007 was Rs.2.40 lakh. The Executive Engineer concerned, however, intimated audit that the work on the project was yet to start.



Langlong MI Project Phase I & II – Work in progress in July 2008, despite the project being declared as completed in November 2007 (Ph-I) and February 2008 (Ph-II)



Awokupughoki MI Project – Work in progress in July 2008, despite the project being declared as completed in January 2008



**Chapter - 10**State  
Specific  
Findings**Nagaland**

Dikhu Valley MI Project – Work in progress in July 2008 despite the project being declared as completed in December 2007

**10.18.4 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S29 - Irregularities in Financial Management of AIBP Projects in Nagaland**

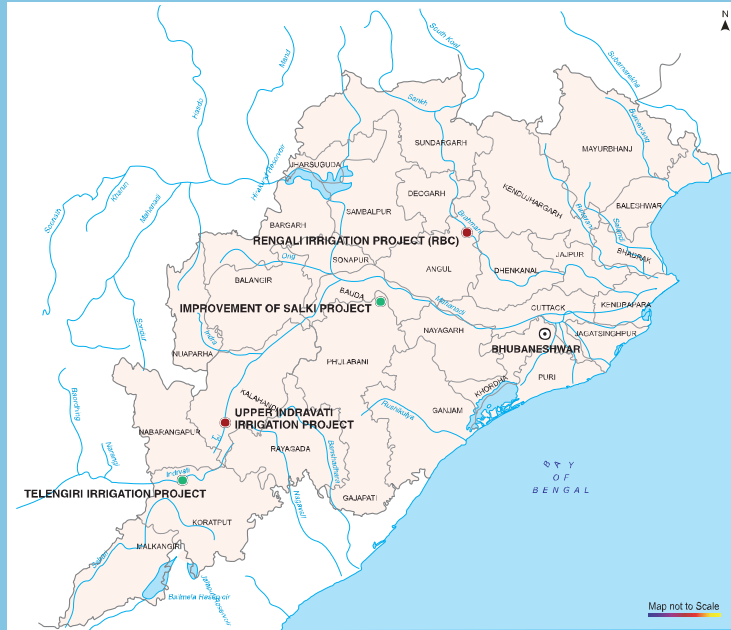
Nature of Irregularity	Details
<b>Irregular expenditure</b>	■ A sum of Rs.28.94 lakh was irregularly spent on purchase of vehicles, computers and furniture etc.
<b>Delays in release of funds</b>	■ There were delays in release of funds by State Government, ranging from 10 days to 210 days, to the executing agencies.

**10.18.5 Monitoring and Evaluation**

No Monitoring Committee was formed, as of March 2008, either at the State or Project level. The monitoring system remained confined only to inspection from the C.E's office on a random basis during progress of work.



# ORISSA



LEGEND	
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●
Medium Irrigation Projects	●

Note: The Co-ordinates of Improvement of Salki Project were not provided by the CWC.



### 10.19.1 Background

During 1996-2008, GoI released loan assistance/grant of Rs 1835.14 crore for taking up 18 Major/Medium and 41 Minor Irrigation Projects. Two major projects – Rengali Irrigation Project (RIP) and Upper Indravati Irrigation Project (Right Canal System and U.I. Extensions), two medium projects – Telengiri Irrigation Project (TIP) and Improvement to Salki Irrigation Project, and 16 minor irrigation projects were selected for detailed audit scrutiny.

### 10.19.2 Overall Status of Reported Completion of Projects

Out of the 18 Major/Medium Irrigation Projects and 41 Minor Irrigation Projects, only seven Major/Medium Irrigation projects and 17 MI Projects had been reportedly completed after incurring an expenditure of Rs 370.48 crore.

### 10.19.3 Status of Completion of Test-Checked Projects

#### 10.19.3.1 Completion of Projects – Major & Medium

Out of the four test-checked major/medium projects, only one medium project, namely Improvement to Salki Irrigation Project, was completed. The remaining projects were not fully completed/commissioned due to the constraints enumerated as follows:

#### ■ Right Bank Canal (RBC) of Rengali Irrigation Project (RIP)

- The RBC of RIP, which was taken up in 1996-97, was executed in a piecemeal manner, resulting in time over run of over nine years and a cost over run of Rs 421.19 crore. Against the requirement of 1820.86 ha of land, only 1620.32 ha of land had been acquired.
- Against the nine railway/NH crossings required to be constructed, the construction of only five railway crossings was completed.
- The construction of distribution systems was only 23 per cent complete. Out of 27 distributaries/minors/sub-minors of RBC, only one minor was completed.

#### ■ Upper Indravati Irrigation Project (UIIP)

- The Right Canal System was completed after a time overrun of four years and cost overrun of Rs 87.36 crore. Further, the extension of left and right canal systems could not be completed on account of delay in acquisition of land, non finalization of designs, and non construction of bridges over canal crossings.
- The lift canal system was not taken up.

## Chapter - 10

State  
Specific  
Findings

### Orissa



#### ■ Telengiri Irrigation Project (TIP)

- Against Rs 73.41 crore provided for head works, the expenditure incurred was Rs 131.04 crore i.e. 79 per cent excess over the estimated cost. The cost overrun was attributed to non finalisation of rehabilitation claims in time. Further, 338.53 ha of Government land was pending acquisition out of the total requirement of 1412.59 ha.
- The injudicious decision of the Department to construct spillway on the river bed without ascertaining the underground rock strata led to abandonment of the site and rendered the expenditure of Rs 99.20 lakh as wasteful. Further, the completion schedule of the project was also consequently delayed by four years.



Right Bank Canal (RBC) of Rengali Irrigation Project (RIP) – Failure of slope and slippage of embankments at RD 34.24 km of RBC



Upper Indravati Irrigation Project – Syphon Aquaduct over river Sagada at RD 2820 metre of REMC remained incomplete due to non finalization of design



**Chapter - 10**State  
Specific  
Findings**Orissa**

Telengiri irrigation Project – Abandoned site of spillway

### 10.19.3.2 Completion of Projects – MI Projects

- Out of 16 MIPs taken up, only three projects (Chitrangi, Hirapur and Chipuljore) were completed. None of the projects was completed within the stipulated period due to non acquisition of land, delay in forest clearance and change in scope of the work during execution. The delay in completion of the projects ranged between two to five years.
- Further, in three MIPs (Kurubela, Laxmipur and Jagumguda) clearance from the Ministry of Environment and Forests (MoEF ) for 26.39 ha of Government land was pending.



**Chapter - 10**State  
Specific  
Findings**Orissa**

Doraguda MI Project – Incomplete Head reach canal from RD 00 metre to 1250 metre

### 10.19.3.3 Creation and Utilisation of Irrigation Potential

- As against the creation of targeted irrigation potential of 5,911 ha, only 1,570 ha irrigation potential was created in five MIPs, out of which only 350 ha was assessed for collection of Compulsory Basic Water Rates (CBWR).
- In the Right Bank Canal of Rengali Irrigation Project, irrigation potential of 0.01 lakh ha was reported to have been created against the targeted potential of 0.21 lakh ha and trial irrigation was provided during 2007, but thereafter no irrigation was provided.
- In Upper Indravati Irrigation Project, the project authorities claimed to have created 0.01 lakh ha in the right extension canal, but the same was subsequently reported by state government as not created.

### 10.19.4 Planning and Approval of Projects

- The revised estimates of RBC of Rengali Irrigation Project and Upper Indrawati Irrigation Project were not prepared, as a result of which the techno-economic viability of the projects on the basis of revised costs could not be assessed.



## 10.19.5 Financial Management

### 10.19.5.1 Undue Benefits to Contractors

In the three major/medium and 11 MI irrigation projects test-checked in audit, poor management of contract and improper planning in execution of works resulted in undue benefit to the contractors to the tune of Rs 138.77 crore (Rengali Irrigation Project – Rs 57.94 crore, Telengiri Irrigation Project – Rs 50.88 crore, Upper Indravati Irrigation Project – Rs 19.40 crore and MIs – Rs. 10.55 crore), as detailed below:

**Table S30 - Undue Benefits to Contractors in AIBP Projects in Orissa**

Nature of Irregularity	Details
<b>Rengali Irrigation Project</b>	<ul style="list-style-type: none"> <li>■ Re-execution of abandoned works – Rs 9.54 crore</li> <li>■ Unfruitful expenditure on account of incomplete works/substandard execution – Rs 33.63 crore.</li> <li>■ Payment for inadmissible work/ inflated measurement – Rs 4.43 crore</li> <li>■ Extra expenditure on account of non-acceptance of lowest tender – Rs 1.14 crore</li> <li>■ Adoption of higher rates – Rs. 5.07 crore</li> <li>■ Payment of escalation charges – Rs. 0.30 crore</li> <li>■ Un-adjusted advances – Rs 3.83 crore.</li> </ul>
<b>Upper Indravati Irrigation Project</b>	<ul style="list-style-type: none"> <li>■ Invitation of tenders without acquisition of land - Rs 1.97 crore.</li> <li>■ Payment for inadmissible items – Rs 1.06 crore.</li> <li>■ Non-deduction of cost of surplus earth – Rs. 0.93 crore</li> <li>■ Non-deduction of settlement charges – Rs. 2.37 crore.</li> <li>■ Non-compliance with OPWD codal provisions – Rs. 1.69 crore</li> <li>■ Adoption of higher rates – Rs. 8.54 crore</li> <li>■ Non-levy of liquidated damages – Rs.2.77 crore</li> <li>■ Payment of escalation charges – Rs. 0.07 crore</li> </ul>
<b>Telengiri Irrigation Project</b>	<ul style="list-style-type: none"> <li>■ Adoption of higher rates – Rs. 10.70 crore</li> <li>■ Non-deduction of hidden charges – Rs. 11.56 crore</li> <li>■ Non-levy of liquidated damages – Rs.10.84 crore</li> <li>■ Payment of escalation charges – Rs. 0.15 crore</li> <li>■ Injudicious execution leading to abandonment of work – Rs. 17.63 crore</li> </ul>
<b>MIPs</b>	<ul style="list-style-type: none"> <li>■ Adoption of higher rates – Rs. 0.50 crore</li> <li>■ Non-levy of liquidated damages – Rs.0.08 crore</li> <li>■ Execution of unapproved rates – Rs.2.88 crore</li> <li>■ Execution of works without acquisition of land - Rs 7.09 crore</li> </ul>

**Chapter - 10**State  
Specific  
Findings**Orissa****10.19.5.2 Other Financial Irregularities**

Other instances of financial irregularities in the test-checked projects are summarized below:

**Table S31 - Other Financial Irregularities in AIBP Projects in Orissa**

Nature of Irregularity	Details
<b>Payment of unauthorized advances</b>	<ul style="list-style-type: none"> <li>■ Out of the total advance of Rs 50.81 crore paid to the Land Acquisition Officers (LAOs) in respect of RBC of RIP, UIIP and Telengiri Irrigation Project between April 1998 and March 2008 for payment of land acquisition charges and rehabilitation assistance, the LAO did not furnish accounts for Rs 31.91 crore as of March 2008.</li> <li>■ The EE, Right Canal Division No.III of UIIP paid (March 2008) Rs 1.90 crore to the NH Division, Kesinga for construction of a bridge at RD 10 km of right extension canal, without any estimate. No work was commenced by the NH Division as of May 2008.</li> <li>■ The EE of MI Division, Rayagada, paid (March/June 2008) Rs 0.45 crore to LAO, Rayagada for payment of land compensation of three MIPs (Laxmipur, Randikona and Karanjanullah) without sanction of estimate to avoid lapse of allotment and letter of credit.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>■ Two EEs of Upper Indravati Project diverted Rs 6.91 crore available under AIBP towards execution of flood damage repair works. One EE of Boudh Irrigation Division of Salki Irrigation Project incurred an expenditure of Rs 1.01 crore towards construction of the road and purchase of shutters. These works were beyond the scope of the works sanctioned under AIBP.</li> <li>■ EEs of two MI Divisions diverted Rs 99.07 lakh to projects not covered under AIBP and Rs 47.60 lakh towards purchase of material not required for immediate use in the work.</li> </ul>

**10.19.6 Monitoring and Evaluation**

- The State level monitoring committee was formed only in June 2005, 9 years after the AIBP was launched. The committee was to meet quarterly and visit each project at least twice a year. The committee after its constitution met only once. The committee had also never visited any project nor was any sub-committee constituted for the purpose.
- No monitoring committee was constituted at the project level.



# PUNJAB



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Medium Irrigation Projects	●

**Note:** The Co-ordinates of Remodelling of UBDC, Kandi Canal Extension (PH. II) and Rehabilitation of 1st Patiala Feeder and Kotla Branch were not provided by the CWC.



### 10.20.1 Background

Five Medium Irrigation Projects were taken up under AIBP during 1999-2008 in Punjab. During 2002-08, GoI released Rs.175.14 crore as central assistance, and the State Government contributed Rs.190.43 crore as its share. The State Government reported an expenditure of Rs. 357.37 crore as of March 2008. Three Projects, namely Kandi Canal Extension Stage-II, Remodeling of U.B.D.C.<sup>27</sup> System, and Rehabilitation of 1st Patiala Feeder and Kotla Branch, were selected for detailed audit scrutiny.

### 10.20.2 Overall Status of Reported Completion of Projects

Out of the five medium projects taken up under AIBP, only one Project, namely Remodelling of UBDC System, which was sanctioned in April 1999, was reported as completed. Three Projects sanctioned in 1999-2000 and one project sanctioned in 2006-07 were still incomplete as of March 2008.

### 10.20.3 Status of Completion of Test-Checked Projects

- The State Government declared the Project “Remodeling of UBDC System” as completed and furnished a completion certificate in September 2006. Audit scrutiny, however, revealed that some works like providing gates and gearing system on various canal distributaries/ water regulators/ cross regulators were still incomplete as of August 2008. A perusal of the photographs printed in the Monitoring Report of November 2006 (issued in April 2007), revealed that works like construction of Cross Regulator cum foot bridge with fall at RD 12750, old structures obstructing the flow of water at RD 195000 of Kasur Branch Lower (KBL) and construction of KBL Tail/escape at RD 30680 were still ongoing. The facts were also confirmed during field visits made by the audit party in October 2008 indicating that no gates and gearing system were installed at KBL RD 168.400 km and Sabraon branch RD 127.250 km.
- Audit scrutiny of the Project for Remodeling of Channels of UBDC System revealed that 39 Village Road Bridges, and bridges-cum-falls which were required to be remodeled at an estimated cost of Rs. 3.34 crore were not taken up by the division purportedly because these were low priority items. The provision of Rs. 3.34 crore was spent on other works like maintenance of channels etc.
- Kandi Canal Stage-II was taken up under AIBP in 2002-03 as a Fast Track Project (FTP) targeted to be completed by March 2008. However, the project was still incomplete as of August 2008. The main canal up to 112 Kms was completed in March 2008, but the construction of ten distributaries had not been taken up as of August 2008 due to non-acquisition of land. Further, due to defective designing, a canal siphon constructed at a cost of Rs. 278 lakh was completely damaged.

<sup>27</sup> Upper Bari Doab Canal



**Chapter - 10**State  
Specific  
Findings**Punjab****10.20.4 Financial management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S32 - Irregularities in Financial Management of AIBP Projects in Punjab**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In 6 divisions, during August and September 2008, security deposits amounting to Rs.80.90 lakh deducted from the bills of 63 contractors were released before the expiry of the stipulated period of 6 months from the date of completion of work.</li> </ul>
<b>Parking of funds</b>	<ul style="list-style-type: none"> <li>Six Executive Engineers and L.A.O. Hoshiarpur had parked funds to the tune of Rs.10.62 crore in 52 Bank Accounts between April 2003 and August 2006</li> <li>Out of Rs.30 crore meant for the Project "Rehabilitation of 1st Patiala feeder", Rs.4.50 crore was diverted to other projects.</li> </ul>
<b>Unauthorised expenditure</b>	<ul style="list-style-type: none"> <li>Expenditure of Rs.5.67 crore was incurred on unapproved works in the Project "Remodelling of UBDC system"</li> </ul>

**10.20.5 Environmental Issues**

- Polluted water and untreated discharge of industry was being discharged into the Chheratta Distributary of UBDC. During field visits and interaction with the beneficiaries it was observed that due to discharge of sewer in the Chheratta distributary, 10719 acres of land was being affected, resulting in damage/loss to crops and animals.

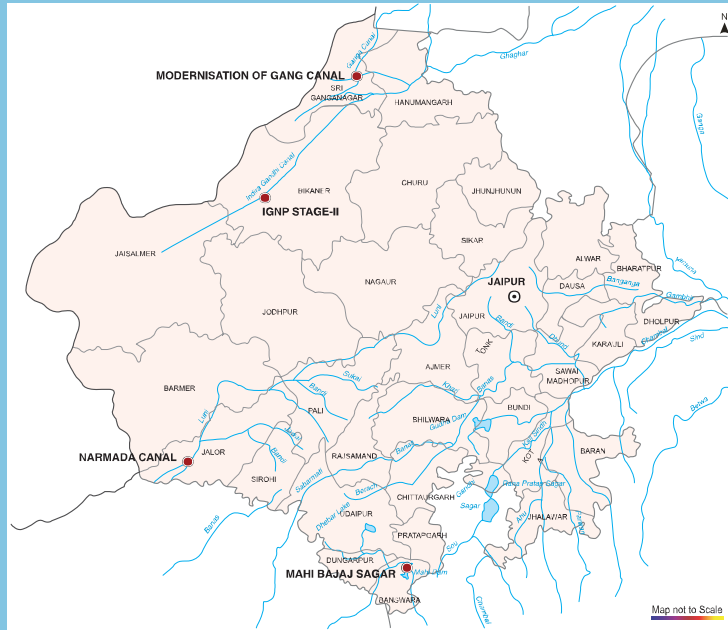


Discharge of Sullage/Polluted water at RD 58500 metre of Chheharata Distributary of Upper Bari Doab Canal (UBDC)

**10.20.6 Monitoring and Evaluation**

The implementation of the Programme was not properly monitored by the Department except by way of holding review meetings and obtaining monthly progress reports. None of the divisions test checked in Performance audit had maintained any monitoring data.

# RAJASTHAN



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●

**Note:** The Co-ordinates of Modernisation of Gang Canal, IGNP Stage - II, Narmada Canal and Mahi Bajaj Sagar were not provided by the CWC.



### 10.21.1 Background

During 1996-2001, GoI approved 10 Major/Medium Irrigation projects in Rajasthan. During 2003-08, GoI assistance was Rs 1258.56 crore and cumulative reported expenditure (including state share) till March 2008 was Rs 3175.85 crore. Four Major Projects, namely, Indira Gandhi Nahar Pariyojana (IGNP) Stage-II, Gang Canal (modernisation) Project, Mahi Bajaj Sagar Project, and Narmada Canal Project were selected for detailed audit scrutiny.

### 10.21.2 Overall status of Reported Completion of Projects

Out of the 10 Major/Medium Irrigation projects, all projects, except IGNP Stage-II and Narmada Canal Project, were reportedly complete.

### 10.21.3 Status of Completion of Test-Checked Projects

- Two of the four major projects (Gang Canal Modernisation and Mahi Bajaj Sagar) declared completed by the government, were actually found to be incomplete during audit. The work of Narmada Canal Project, Mahi Bajaj Sagar Project (Unit-II), and Gang Canal System were badly delayed, resulting in time over run of 3 to 5 years with consequent cost overrun of Rs 666.71 crore. This was reportedly due to increase in rate of land compensation, non-completion of canal works due to inadequate budget allotment, slow tender process, delay in land acquisition/clearance of forest land and mismanagement in planning.
- The IGNP Stage-II, Mahi Bajaj Sagar, and Narmada Canal were major projects and not completed till March 2008. Considering the paucity of funds with the State Government and availability of CCA in flow area, the department should have taken up the work in a phased manner – the flow system first so that partial benefit could have been derived, and the lift system thereafter. However, the department executed works of flow and lift together on IGNP Stage II and Narmada Canal Projects. As a result, both the systems were incomplete and the required potential could not be created. Further, though canal works (branches, minors etc.) were completed in IGNP Stage II, the Command Area Development (CAD) authorities could not complete the work of water courses; thus, adversely affecting the utilization of created IP.

**Chapter - 10**State  
Specific  
Findings**Rajasthan**

- Bhikha Bhai Sagwara Canal (BBSC) with Nithauwa distributary for Mahi Bajajisagar Project was cleared (June 2002) by CWC. However, the sanction for diversion of forest land for Nithauwa distributary was received only in March 2007. The works of Nithauwa distributary from 0 to 2.50 km and 6.48 to 21.54 km and nine minors were completed between March 2005 and March 2006, but the work in the reaches from 2.50 to 6.48 km was not taken up as the approval for use of forest land in this reach was delayed. The water did not reach the downstream portion of Nithauwa distributary beyond 2.50 kms. Consequently, an area of 3,445 ha did not receive the benefits of the canal, and nine minors of reaches 6.48 to 21.54 km remained unfruitful as of March 2008. Even then, the project was declared as completed, and the project completion report was irregularly issued in August 2007.

**10.21.3.1 Non-utilisation of created potential**

Audit scrutiny revealed that 662 (543 in flow area and 119 in lift area) diggis (open shallow water tanks) were constructed, but only 60 Water User Associations (WUAs) were formed as of March 2008. Further, not a single WUA had taken power connection for the diggi. Hence, the IP of 88,090 ha created during 2006-08 could not be utilised. Further, the mechanism for recovery of irrigation water charges by WUAs for carrying out maintenance and its sharing with the State Government was not decided by the State Government, as of March 2008.



Narmada Canal Project – Electrified diggi but power connection not taken by WUA



## Chapter - 10

State  
Specific  
Findings

### Rajasthan



Narmada Canal Project – Incomplete work in the Inlet of Diggi No.5 Basan Minor at tail 3.701 km – Vank Distributary



Narmada Canal Project – Incomplete work in the Inlet of Diggi No.5 Basan Minor at tail 3.701 km – Vank Distributary



**Chapter - 10**State  
Specific  
Findings**Rajasthan**

Narmada Canal Project – Incomplete work in the Inlet of Diggi No.5 Basan Minor at tail 3.701 km – Vank Distributary

**10.21.4 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S33 - Irregularities in Financial Management of AIBP Projects in Rajasthan**

Nature of Irregularity	Details
<b>Undue benefits to contractors</b>	<ul style="list-style-type: none"> <li>In the four test checked projects, non-recovery of compensation due to non-completion of the works within the stipulated time and making payment for a work which was to be constructed by the contractor, resulted in undue favour to contractors to the tune of Rs.5.43 crore.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>In Narmada Canal Project, a payment of Rs 143.13 crore was made to Jodhpur Vidyut Vitran Nigam Limited (JVVNL) for 33/11 Kilowatt power line/sub-station and the expenditure was booked irregularly under AIBP, though there was no provision for such expenditure.</li> <li>A payment of Rs 28.52 crore was made to the contractors during 2006-08 for the cost of sprinkler system, high density polyethylene (HDPE) pipelines, pump houses, sumps, motors, pumps etc., and irregularly charged to AIBP funds, though the entire cost of such works was to be borne by the WUAs', as per the project report.</li> <li>In IGNP Stage-II Project, an expenditure of Rs 9.58 crore incurred during 2003-06 on maintenance and repair works was charged to the project.</li> <li>In Gang Canal Modernisation project, Rs. 0.53 crore of AIBP funds were irregularly used for court deposits for making payment to eight contractors for works executed prior to inclusion of the Gang Canal Project under AIBP.</li> <li>Rs 0.49 crore was spent on rehabilitation works taken up under World Bank funded "Rajasthan Water Sector Restructuring Project (RWSRP)" during 2003-07 and was irregularly booked under the AIBP component of Gang Canal Project.</li> </ul>

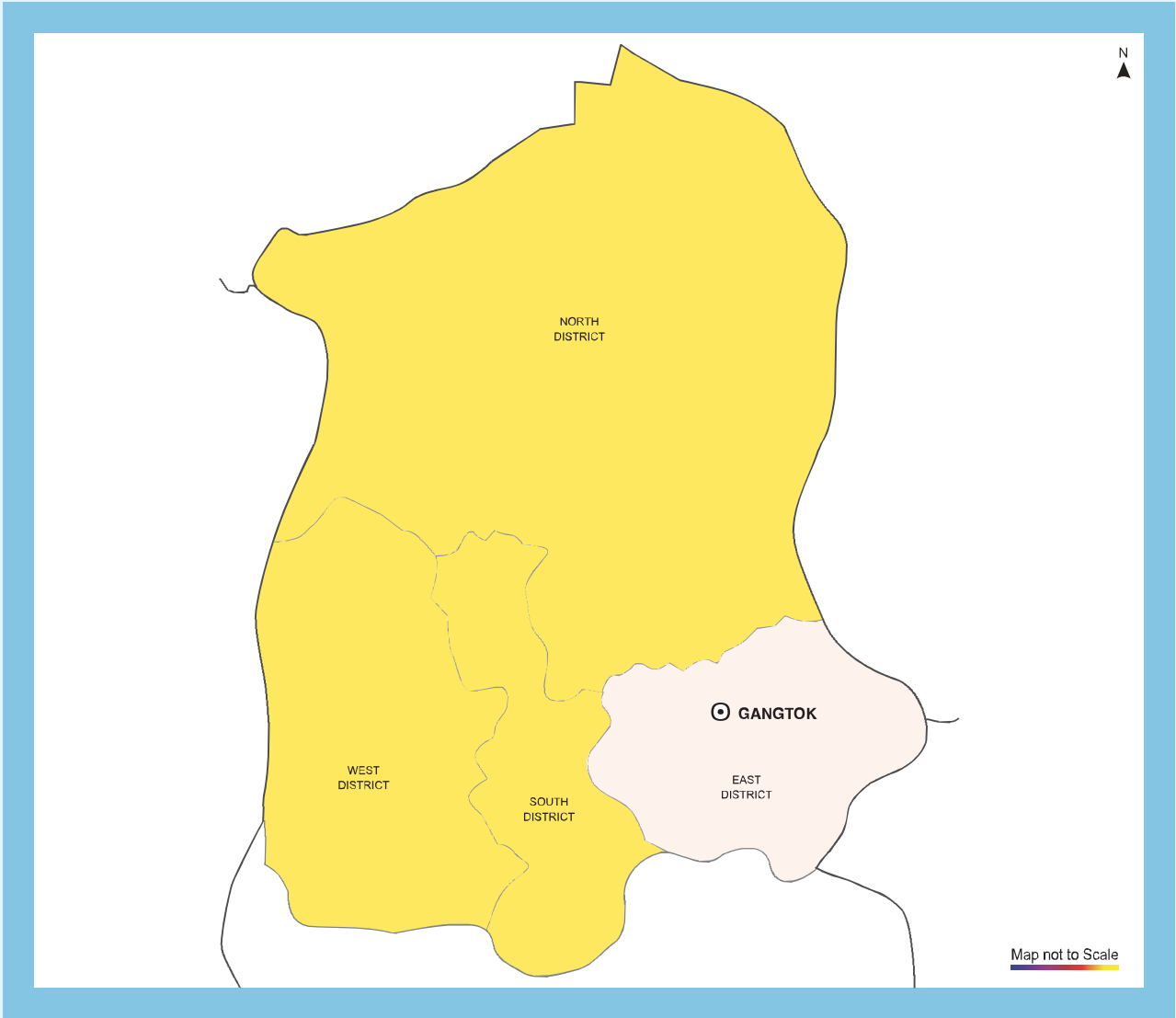
**Chapter - 10**State  
Specific  
Findings**Rajasthan**

Nature of Irregularity	Details
<b>Misutilisation / irregular expenditure</b>	<ul style="list-style-type: none"> <li>■ In IGNP Stage-II Project, Rs.6.40 crore was irregularly spent on construction of Cross Drainage (CD) works and charged to the project cost, though there were no provisions of CD works in the Revised Project Estimate of the Project.</li> <li>■ In Narmada Canal Project, Rs.5.39 crore was drawn towards payment of land compensation (Rs. 4 crore without sanction of collector and Rs. 1.39 crore without disbursement to the land owners) during 2004-08 and booked under the Project to avoid lapse of funds.</li> <li>■ In IGNP Stage-II Project, the work of construction of drains was taken up and then abandoned on technical grounds after execution of half of the estimated quantity and incurring an expenditure of Rs 1.16 crore, despite the observations of SE, Vigilance that there was no justification for constructing the surface drains.</li> <li>■ In Gang Canal Modernisation project, an expenditure of Rs 0.98 crore was incurred on raising of unlined portions of the canal, as the lining work was executed without proper planning.</li> </ul>

**10.21.5 Monitoring and Evaluation**

In the Narmada Canal Project, a Task Force Committee was formed. Six meetings were held between June 2006 and May 2007, but thereafter no meeting was held.





Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	⊙
Coverage of Minor Irrigation Projects	■



### 10.22.1 Background

During 1999-2008, GoI sanctioned 370 MI schemes with 6400 ha of irrigation potential in Sikkim. During 2003-08, the State received Rs.8.97 crore as central assistance and contributed Rs.1.59 crore as its share. Out of the total available funds of Rs. 11.80 crore, the reported expenditure during 2003-08 was Rs.8.23 crore. 65 schemes implemented during 2003-08 were selected for detailed audit scrutiny.

### 10.22.2 Overall reported status of completion of projects

Out of 370 MI Projects sanctioned under AIBP during 1999-2000 and 2007-08, all the projects, except one ongoing project, had been declared as completed as of March 2008.

### 10.22.3 Status of Completion of Test-Checked Projects

#### 10.22.3.1 Defunct MI Projects

Out of 26 MI Projects (out of the test-checked 65 MI projects) physically verified, 6 MI Projects constructed at a total cost of Rs. 16.75 lakh to cover 86.07 hectares of land were defunct due to landslides and leakage of water near the sources which was selected in a sinking area. In Jugdum Khola, Lower Labing, Kajanikulo and Khanikhola to Pradhangaon MI Channels, the farmers had to collect water from small brooks nearby.

#### 10.22.3.2 Supply of polluted water

In two schemes, Sokeythang MI Channel and Chalisay Army Camp to Bagey Genopang Khet, polluted water was supplied through completed channels due to mixing of drain water.



MI Project at Khanikhola to Pradhangaon – Defunct MI Channel



## Chapter - 10

### State Specific Findings

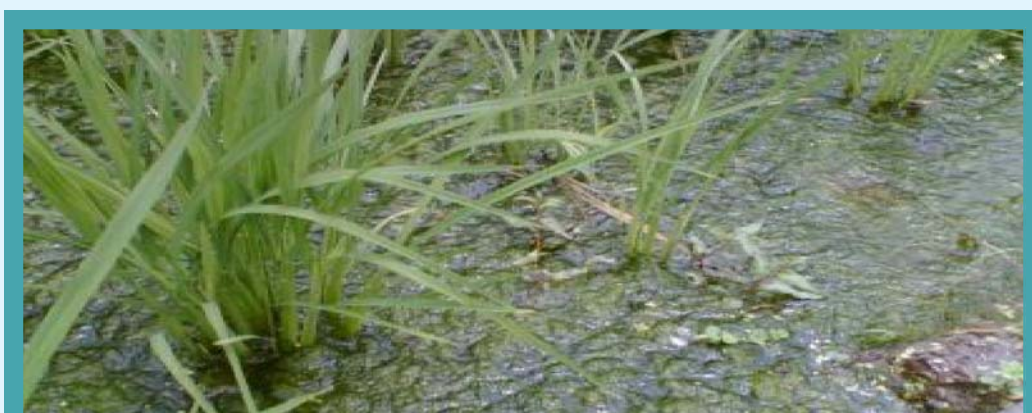
#### Sikkim



MI Project at Ramathang – Poor condition of the MI channel due to non-maintenance



MI Project Damala Gaon – Non-visible channel due to non-maintenance



Sokethang MI Project at Lower Lingding – polluted water in the channel

### 10.22.3.3 Non-availability of water for irrigation during lean period

During interviews with beneficiaries of 11 schemes out of 26 physically verified schemes, the beneficiaries stated that the irrigation channels remained dry during the winter seasons, at a time when more water was required for irrigation.





### 10.22.3.4 Creation and utilisation of Irrigation Potential

Against the targeted potential of 2741.78 hectares till 2007-08 in respect of 242 schemes, the IP created was 2,095.49 hectares. The claimed IP utilization had increased from 85 per cent during 2003-04 to 95 per cent during 2007-08. However, the Department failed to produce any document in support of the claimed utilization. Further, although there was a moderate increase in yield per hectare, there was almost no impact on coverage of agricultural area even after spending an aggregated amount of Rs.14.26 crore under AIBP during 1999-00 to 2007-08.

### 10.22.4 Planning and Approval of Projects

- **Survey and Investigation:** In all the 65 schemes test checked in audit, there was no recorded evidence of survey and investigation having been conducted.
- **Improper assessment of BC Ratio:** The Department failed to produce DPRs for any of the projects. However, in some of the individual implementation files where copies of the BCR analysis were available, it was seen that one component i.e. benefit due to reduced cost of farming (on time saved by farmers for irrigating the fields), which was not included in the CWC guidelines, was taken into consideration for calculation, which resulted in overstatement of the BCR.
- **Non formation of Water User Groups:** Neither had any water user group (WUG) been formed, nor had the constructed channels been handed over to the local Panchayats for upkeep and maintenance.

### 10.22.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

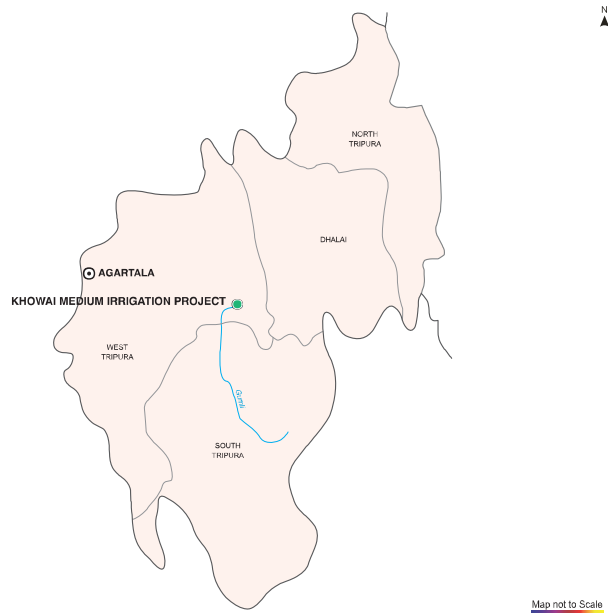
**Table S34 - Irregularities in Financial Management of AIBP Projects in Sikkim**

Nature of Irregularity	Details
Short-release of funds	<ul style="list-style-type: none"> <li>■ Against the receipt of Rs. 8.15 crore from GOI towards Central assistance for 2003-08 under AIBP schemes, the State Government did not provide the matching share which resulted in short release of State share of Rs 0.61 crore. Delay in release of funds by the state government could not be ascertained, due to non maintenance of related records.</li> </ul>
Diversion of funds	<ul style="list-style-type: none"> <li>■ Funds amounting to Rs. 0.25 crore were diverted towards payment of salaries of work-charged employees, purchase of stock materials from AIBP fund and supplied to works other than AIBP, and debris clearance which was not permitted under AIBP.</li> </ul>

### 10.22.6 Monitoring and evaluation

No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.

# TRIPURA



## LEGEND

Intl. Boundary	
State Boundary	
District Boundary	
State Capital	
Medium Irrigation Projects	



### 10.23.1 Background

GoI approved three medium irrigation projects - Gumti Irrigation Project, Khowai Irrigation Project and Manu Irrigation Project – and 1241 MI projects during 1996-2008. During 2003-08, the GoI released assistance of Rs. 100.38 crore and the State Government released Rs. 46.56 crore as its share and Rs. 10.65 crore as advance release of Central share. Out of the total available funds of Rs. 169.53 crore (including opening balance of Rs. 11.94 crore), the reported expenditure during 2003-08 was Rs. 170.29 crore. One medium project, namely Khowai Irrigation Project, and 25 MI Projects were selected for detailed audit scrutiny.

### 10.23.2 Overall Status of Reported Completion of Projects

Despite being taken up in 1996-97, none of the three ongoing medium irrigation projects were completed as of March 2008. Out of 1439 MI Projects sanctioned during 1999-2008:

- 202 Projects were abandoned, after incurring an expenditure of Rs. 3.72 crore.
- 1112 Projects were reportedly completed, out of which eight schemes were not functioning as of November 2008 reportedly due to dispute on engagement of operator by Gram Panchayat (GP), non-availability of water due to storage at upstream, frequent stealing of pump motor, and shifts of river course on Bangladesh side.
- 125 Projects were in progress as of March 2008.

### 10.23.3 Status of Completion of Test-Checked Projects

- In Khowai Medium Irrigation Project, only the canal systems were to be implemented under AIBP. Audit scrutiny revealed that even after spending Rs.75.23 crore (98 per cent of the revised cost) the department could construct only 25.684 km of main canal out of the targeted 31.094 km. Further, only 1.351 km of branch canals out of the targeted 26.682 km could be constructed. Resultantly, only 1453 ha (32.18 per cent) of the targeted irrigation potential of 4515 ha could be created during 1996-2009 (November 2008). The tardy progress was attributed to delay in land acquisition and surrender of physical possession by the land owners, insurgency problems, shortage of skilled labourers etc.
- Out of the 25 sampled MI Projects, 10 Projects were declared as completed, out of which in six projects, the shortfall in creation of the targeted IP ranged from 9 per cent to 57 per cent. Thus even after completion of the projects, the MI Projects were not delivering the targeted benefits.

**Chapter - 10**State  
Specific  
Findings**Tripura**

- In Lift Irrigation scheme (LIS) at North Dabbari, though the work of laying and distribution of pipe lines had not commenced, it was reported as completed in November 2008. Further, in the LI scheme at Rabindranagar, though the work began in March 2004, the process of land acquisition started after 21 months and the department incorrectly assessed land requirement at 2.6 acre, instead of the actual requirement of 95.48 acre.
- In 24 out of 25 test-checked MI Projects, there was no evidence of any survey and investigation having been conducted. Further, the BC Ratio was assessed only in cases of two projects.

**10.23.4 Financial Management**

Audit scrutiny revealed the following irregularities in financial management:

**Table S35 - Irregularities in Financial Management of AIBP Projects in Tripura**

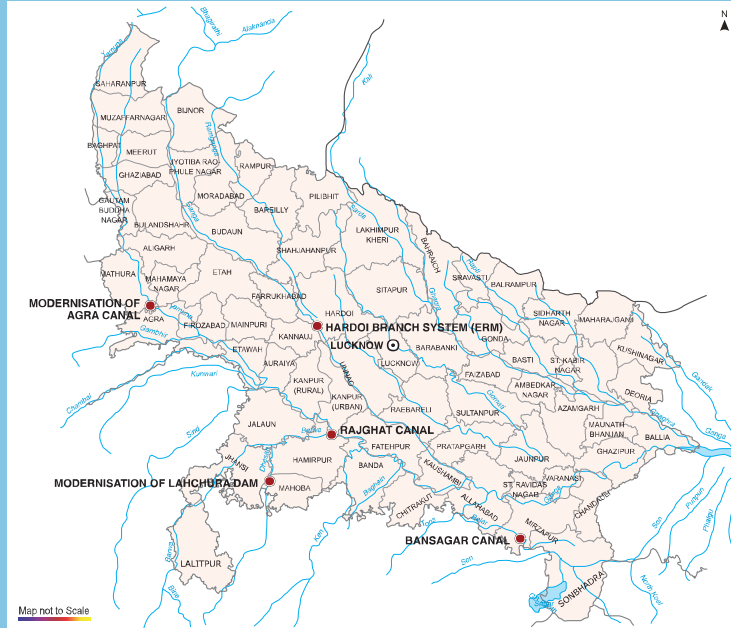
Nature of Irregularity	Details
<b>Delays in release of Gol funds</b>	<ul style="list-style-type: none"> <li>■ During 2003-07, the Gol funds were released by the State Government, after delays ranging from 11 to 130 days.</li> </ul>
<b>Diversion of funds</b>	<ul style="list-style-type: none"> <li>■ Funds amounting to Rs. 0.82 crore were diverted in four test checked divisions (Water Resource Division-I, II, III and IV) for flood protection and maintenance works of different Deep Tube Wells (DTW) and Lift Irrigation (LI) Schemes.</li> <li>■ Funds amounting to Rs. 0.12 crore were diverted for payment of electricity consumption bills of different running Lift Irrigation schemes in Water Resource Division-I.</li> </ul>

**10.23.5 Monitoring and Evaluation**

In the test-checked MI schemes, no independent agency had been engaged for monitoring of the schemes.



# UTTAR PRADESH



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●

Note: The Co-ordinates of Modernisation of Agra Canal, Hardoi Branch System (ERM), Bansagar Canal and Rajghat Canal were not provided by the CWC.





### 10.24.1 Background

During 1996-2008, GoI sanctioned 14 major irrigation Projects. During 2003-08, GoI released Rs 3117.79 crore of central assistance and the State Government contributed Rs.2006.84 crore as its share; the total reported expenditure was Rs. 2798.64 crore. Five projects, Modernisation of Agra Canal, Modernisation of Lahchura Dam, Improving Irrigation intensity of Hardoi Branch System, Bansagar Canal and Rajghat Canal, were selected for detailed audit scrutiny.

### 10.24.2 Overall Status of Reported Completion of Projects

Of the 14 major projects, only five projects had been reportedly completed (Upper Ganga & Madhya Ganga, Kharif Channel in H K Doab, Rajghat Canal, Modernisation Of Agra Canal, and Jarauli Pump Canal).

### 10.24.3 Status of Completion of Test-Checked Projects

Audit scrutiny revealed that all the five test-checked Projects were ongoing, although two projects - Agra Canal Project and Rajghat Canal Project were declared completed. Further audit scrutiny revealed the following:

- Although the Modernisation of Agra Canal Project was declared completed, three bridges at Palwal, Chhajunagar and Lilwari were incomplete and old bridges were not dismantled, which led to silting and growth of weeds in the canal section. The reported utilization of the created IP in the project was 77 per cent. During field visit to Agra Canal, supply of polluted water was found between Km 2.355 to Km 7.100 of Agra Canal. There were six open sewage drains and six Hume pipes sewage drains which were polluting the canal water.
- The Rajghat Canal Project was declared completed, although nine MoUs of Rs 8.67 crore out of twenty MoUs signed with Uttar Pradesh Power Corporation Limited (UPPCL) were still to be finalized, while three MoUs had been rescinded without completing the work. Out of eight rail crossings proposed to be constructed on the canal at a cost of Rs 8.95 crore during 1995-04, only four could be completed, including one defective canal crossing. Further, a proposal of Rs. 56.07 crore was made for the remaining works even after declaring the project as completed.
- In Bansagar Canal Project, the construction work of canal was stopped midway in Adwa Meja Link Channel (AMLC) as clearance for forest land was not obtained due to opposition by the affected villagers, although a sum of Rs 86.29 crore was deposited with forest department for their rehabilitation. Further, in the Meja-Jirgo Link Channel (MJLC), excavation work between chainage Km 40.700 to 43.300 was stalled due to sprouting up of water.

## Chapter - 10

### State Specific Findings

#### Uttar Pradesh



- The works of Hardoi Branch System project were commenced in an unplanned way as the restoration works in branches lying in lower reaches were started earlier than those lying upstream, which resulted in formation of earth mound and silting in the canal system. An additional expenditure of Rs74.61 lakh was incurred to remove the same.
- In three test-checked projects (Agra Canal Project, Rajghat Canal Project and Bansagar Canal Project), cost overrun varied from 119 per cent to 501 per cent of the original cost, and the time overrun ranged from 70 months to 165 months.



Agra canal project

## Chapter - 10

State  
Specific  
Findings

**Uttar  
Pradesh**



Agra Canal Project



Rajghat Canal Project – Incomplete canal crossing bridges of NH-26 at Asaupur Minor



Rajghat Canal Project

## Chapter - 10

State  
Specific  
Findings

Uttar  
Pradesh



Bansagar Canal Project



Improvement of Irrigation Intensity of Hardoi Branch System



## Chapter - 10

State  
Specific  
FindingsUttar  
Pradesh

## 10.24.4 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

Table S36 - Irregularities in Financial Management of AIBP Projects in Uttar Pradesh

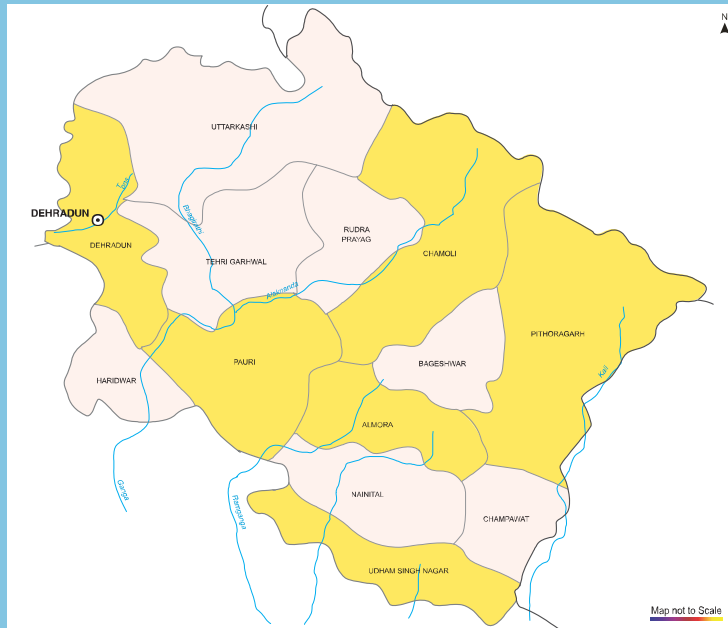
Nature of Irregularity	Details
Undue benefits to contractors	<ul style="list-style-type: none"> <li>Under Improvement of Irrigation Intensity of Hardoi Branch, payment of Rs 59.50 lakh was made on excavation of earth, for which work payment was previously made in Unnao Branch.</li> </ul>
Diversion of funds	<ul style="list-style-type: none"> <li>During 2003-08, Engineer-in-Chief (E-in-C) allotted Rs 1225.91 crore for further allotment to executing field offices. The Chief Engineers (CEs), however, allotted only Rs 1216.91 crore to the executing divisions. The balance of Rs 9.00 crore was diverted at the level of Engineer-in-Chief / Chief Engineer.</li> <li>An amount of Rs 4.71 crore (CE, Bansagar Canal Project: Rs 4.56 crore and CE Ganga: Rs 0.15 crore) was diverted to CE, Sarda Sahayak during 2004-07 under the instructions issued by Engineer-in-Chief (E-in-C) to allot 0.5 per cent of the project cost from the State share to meet the expenditures of E-in-C office.</li> <li>In Bansagar Canal project, Rs.0.81 crore was diverted to E-in-C office to bear the expenditure of Computer Centre and its staff in E-in-C's office.</li> <li>In Bansagar Canal Construction Division-I, Rs.0.33 crore was diverted for payment of bills not related to the division.</li> <li>In Irrigation Works Circle-III, Agra, AIBP funds to the tune of Rs.15.80 crore were diverted and utilized on works not sanctioned under the project.</li> </ul>
Unauthorised /Irregular expenditure	<ul style="list-style-type: none"> <li>In the Modernization of Agra Canal project, the department paid Rs. 9.41 crore to Uttar Pradesh Rajkiya Nirman Nigam for renovation of the Yamunotri Guest House, Annexe building, Old Inspection House and eight type-III buildings at Okhla, New Delhi, although these works were not approved by CWC/ MoWR. Besides, the division also debited Rs.6.39 crore to the project for various works carried out in the above premises during the year 2006-07.</li> <li>In Bansagar canal project, four MoUs of National Project Construction Corporation (NPCC) were rescinded but penalty of Rs 3.73 crore was not recovered. Besides, Rs 83.65 lakh of Income tax was also not deducted, before making payment to NPCC.</li> <li>In Rajghat Canal Project, excess payment of Rs 0.86 crore made to the Railway Department was not recovered.</li> <li>In Lahchura Dam Project, EE Mahoba Dam Construction Division-I, advance payments of Rs. 14.55 crore were made between March 2003 and March 2008 and irregularly charged to the projects, instead of the Miscellaneous Public Works Advances account head against individual officers for watching recovery and eventual adjustment.</li> </ul>

## 10.24.5 Monitoring and Evaluation

- A State level monitoring committee had been constituted. It was, however, found in audit that as against the ten meetings required to be held as of March 2008, only three meetings were held.
- Monthly meetings were carried out at the project level but any reference regarding sending the meeting-reports to State level committee was not found.



# UTTARAKHAND



LEGEND	
Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	⊙
Coverage of Minor Irrigation Projects	Yellow



### 10.25.1 Background

During 1999-2008, GoI sanctioned 1931 MI projects in the State. During 2003-08, the GoI released Rs.520.54 crore as central assistance, and the State Government contributed Rs.116.93 crore as State share. Out of the available funds of Rs.637.47 crore, the reported expenditure, as of March 2008, was Rs.636.13 crore. Out of 1738 MI Projects taken up during 2003-08, 30 MI Projects were selected for detailed audit scrutiny.

### 10.25.2 Overall Status of Reported Completion of Projects

Out of the 1931 MI Projects taken up during 1999-2008, as of March 2008:

- 961 Projects were completed, 905 Projects were ongoing, and 65 Projects could not be started.
- 193 MI projects and 229 MI projects sanctioned during 2002-03 and 2005-06 respectively, were still ongoing as of March 2008.
- Out of the 65 Projects which could not be started as of March 2008, 64 MI Projects were those which were sanctioned in 2005-06.

### 10.25.3 Status of Completion of Test-Checked Projects

Out of the 30 test-checked projects, 21 projects were complete, while nine projects<sup>28</sup> were incomplete. Physical verification by audit of 30 selected schemes involving 80 sub-schemes, further, revealed that:

- 11 sub-schemes (14 per cent) lacked command area as the guls/water canals were constructed midway between the water source and command area, and did not reach the fields.
- 19 sub-schemes (24 per cent) were lying defunct, and 23 sub-schemes (29 per cent) were damaged.
- 7 sub-schemes (9 per cent) were without any water or some had in-sufficient source of water, and in 14 sub-schemes (18 per cent), there were seepages leading to less amount of water in the canals.

Resultantly, beneficiaries/ farmers reported that they were not getting water for irrigation.

<sup>28</sup> Bangouthi, Construction of 35 km. field gul lining in block Dugadda, Construction of 5.753 km. long lining of channel & gul in Kanalicchina block, Construction of Baank canal in Deval Block, Degot, Devaria, Hartad-Santad, Kheti (E.R.M) and Lining and field Gul construction in Bhaisiachhana, Almora

## Chapter - 10

State  
Specific  
Findings

Uttarakhand



The constructed portion of the gul was neither connected to the permanent water source nor to the command area.

Gada Rahiya Gul (Kawakhera MI Project)

The gul was not functional as the head of the gul was damaged in a 3 metre stretch since commissioning of the scheme, and the whole of the command area remained unirrigated.



Bheeda gul (Gawani MI Project)



The gul was not functional as the head of the gul was damaged in a 3 metre stretch since commissioning of the scheme.

Nayal\_Ganaikuna Gul (Nayal MI Project)



Water was not flowing in due to seepage, debris, weed growth, structural erosion etc.

The beneficiaries reported to audit that due to cracks, damage & seepage, they were not getting sufficient benefits.



Laduda Gul (Jaicholi MI Project)

10.25.4 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

Table S37 - Irregularities in Financial Management of AIBP Projects in Uttarakhand

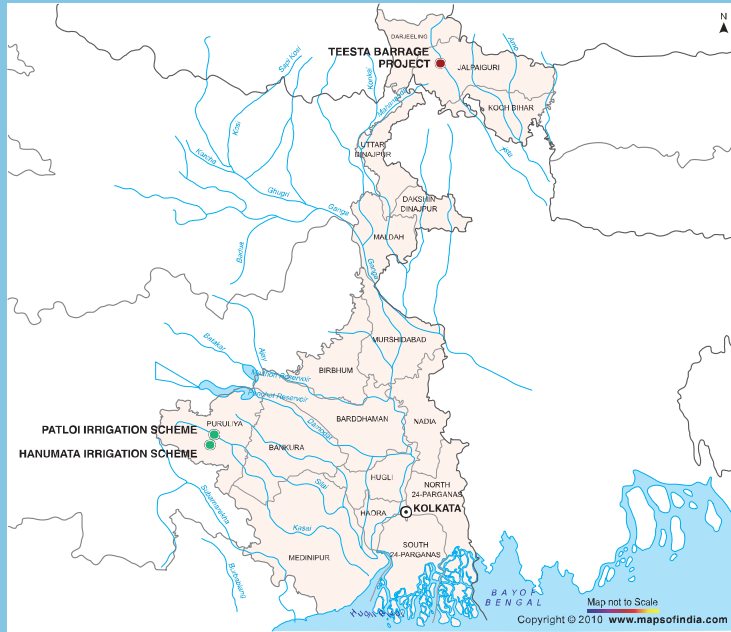
Nature of Irregularity	Details
Delayed release of funds	During 2003-08, there were delays ranging from 35 days to 57 days in release of funds by the State Government to the implementing agencies.

10.25.5 Monitoring and Evaluation

No monitoring committee was formed either at the State or project level. Further, the CWC had not carried out any monitoring and evaluation of the completed projects during 2003-08.



## WEST BENGAL



### LEGEND

Intl. Boundary	—
State Boundary	—
District Boundary	—
State Capital	○
Major Irrigation Projects	●
Medium Irrigation Projects	●





### 10.26.1 Background

During 1996-2008, GoI sanctioned four major and three medium projects, while 32 minor irrigation schemes were sanctioned in 2007-08. During 2003-08, GoI released assistance of Rs. 32.26 crore and the State share was Rs. 34.49 crore, against which the reported expenditure was Rs. 78.40 crore. One major, two medium and 8 MI projects were selected for detailed audit scrutiny.

### 10.26.2 Overall Status of Reported Completion of Projects

Of the seven major/medium projects,

- One major project, the Subarnarekha Barrage Project, had been abandoned, and three projects – 1 major (Teesta Barrage Project) and 2 medium (Patloi Irrigation scheme and Tatko Irrigation scheme) were ongoing.
- Three projects – 2 major (Kangsabati Reservoir Project and Modernisation of Barrage and Irrigation of Damodar Valley Corporation) and 1 medium (Hanumata Irrigation scheme) were reportedly complete as of March 2008.
- In case of MIs, despite the availability of sufficient funds (Rs 10.14 crore) during 2007-08, only Rs.0.60 crore was released to the divisions and no work, except for procurement of materials of Rs 0.52 crore for five MI projects, could be started as of March 2008. No work had been started on the remaining 27 MI projects.

### 10.26.3 Status of Completion of Test-Checked Projects

#### 10.26.3.1 Teesta Barrage Project (TBP)

- The project which was started in 1976, and brought under AIBP in 1996-97, was still incomplete as of March 2008, with a time overrun of 18 years and cost overrun of Rs. 1110 crore. Despite the expenditure of Rs 1179.66 crore, only 30 per cent physical progress had been achieved, while the cost estimates had been revised to Rs 2979 crore, as of March 2008. The target date had been revised to 2012.
- Out of total five main canals of the TBP, only two (Teesta Mahananda Link Canal - TMLC and Mahananda Main Canal - MMC) were completed. Operations of head regulator gates of another canal - Teesta Jaldhaka Main Canal (TJMC) had not yet been started as of March 2008. Out of 35 distributaries of the completed canals, 14 were complete, while 21 were still incomplete mainly due to disputes of land acquisition.

**Chapter - 10**State  
Specific  
FindingsWest  
Bengal

- The department started the project in 1976 without obtaining any environment & forest clearances. In September 1994, the Ministry of Environment and Forest (MoEF) gave clearances subject to various conditions, none of which had, however, been fulfilled as of August 2008.



Dauk Nagar Main Canal of TBP at Ch. 63.585 where no trace of canal water was observed due to land dispute in Uttar Dinajpur District

**10.26.3.2 Patloi Irrigation Scheme (PIS)**

- The Project, which was started in the mid-seventies with an estimated cost of Rs 0.90 crore, was revised to Rs 9.41 crore as of 1998. Despite expenditure of Rs 8.89 crore and physical achievement ranging from 56 to 60 per cent, the project was still incomplete and against the ultimate target of 2158 ha, only 270 ha of IP was reportedly created, of which 70 ha was reportedly utilized. There were gaps in the main canals and the component parts of the spillway gate were in deplorable condition.
- Construction of a siphon at chainage 130.45 km of Left Bank Main Canal (LBMC) and canal construction from chainage 0.00 to 65.00 km of Right Bank Main Canal (RBMC) was still in progress.
- Water for irrigation in AIBP portion of the canals was not available due to land disputes and delayed execution of works.

**Chapter - 10**State  
Specific  
FindingsWest  
Bengal

LBMC of Patloi Irrigation Scheme near proposed RCC Tunnel at chainage 551.20 in Purulia District – The work was held up due to land dispute.

### 10.26.3.3 Hanumata Irrigation Scheme (HIS)

- The Project was declared completed in March 2007. However, audit scrutiny revealed that the project was, in fact, incomplete since construction of one aquaduct at chainage 480.00m of Right Bank Main Canal (RBMC) was in progress and the bed level of RBMC from chainage 199.89 m onwards was higher than the design bed level and fell mostly in a rocky zone. All 3 distributaries of the RBMC were situated after chainage 199.89 m. As a result, canal water was not available for irrigation from chainage 199.89 m onwards.



At Ch. 198.00m no canal water at RBMC of HIS in Purulia District was available due to rocky zone. (The water in picture is rain water)



## Chapter - 10

### State Specific Findings

#### West Bengal



Chainage 199.89m beyond which actual bed level was higher than the design bed level in Purulia District. Resultantly there was no flow of water. (The water in picture is rain water)

### 10.26.4 Planning and Approval of Projects

The department did not prepare any DPR, including assessment of B.C. Ratio, in respect of the selected major/medium projects brought under AIBP in 1996-97, and the original DPRs, stated to have been prepared long back in the 70s, were not available.

## Chapter - 10

State  
Specific  
FindingsWest  
Bengal

## 10.26.5 Financial Management

Audit scrutiny revealed the following irregularities in financial management:

**Table S38 - Irregularities in Financial Management of AIBP Projects in West Bengal**

Nature of Irregularity	Details
<b>Undue benefits to contractor</b>	<ul style="list-style-type: none"> <li>In Teesta Barrage Project (TBP), failure to impose penalty on account of non completion of work in scheduled time resulted in undue favour amounting to Rs 5.40 lakh, to the contractor.</li> </ul>
<b>Delay in release of funds</b>	<ul style="list-style-type: none"> <li>There were delays in release of funds both by the Gol (which released funds at the fag end of every financial year) and the State Government, which released funds after delays ranging from 32 to 185 days.</li> </ul>
<b>Wasteful / Irregular expenditure</b>	<p>In Teesta Barrage Project (TBP):</p> <ul style="list-style-type: none"> <li>Six out of ten test-checked Divisions of TBP incurred unauthorized expenditure of Rs 2.71 crore on unapproved works.</li> <li>Expenditure of Rs 11.16 crore on the construction of an escape channel proved wasteful, due to wrong estimation of design capacity of the Dauk River.</li> </ul>

## 10.26.6 Monitoring and Evaluation

- No State level and Project level monitoring committees had been constituted to monitor the implementation of the programme.
- Audit scrutiny revealed that CWC conducted monitoring visits and submitted monitoring status reports only once in a year, in respect of PIS and HIS during 2003-08. Further, in its inspection report of April 2008, CWC mentioned the lack of full cooperation from the project authorities, and stated that the visits could be actually undertaken to only such work sites which the project engineers wanted to show.

**(K.R.SRIRAM)**

Principal Director of Audit  
Economic & Service Ministries

Dated : 26 April, 2010

Countersigned

**(VINOD RAI)**

Comptroller and Auditor General of India

Dated : 26 April, 2010  
Place : New Delhi