

I/1505/2018(1-8)

G-20017/2/2018-BUDGET SECTION

केन्द्रीय जल आयोग

बजेट अनुभाग

कमरा संख्या 8 तल (द),  
सेवा भवन, आर. के.पुरम,  
नयी दिल्ली - 110066.

दिनांक : 17/05/18

कार्यालय ज्ञापन

OFFICE MEMORANDUM

**Subject : Review of Expenditure for the Financial Year 2017-2018.**

Please find enclosed herewith a note from Secretary, MOWR, RD & GR dated 4-4-2018 on the subject cited above. The content of which are self explanatory. All SMDs/Officers are requested to follow observations made by Secretary, MOWR, RD & GR.

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17/05/18

(राम निवास गर्ग )

लेखा अधिकारी, के.जल.आ

To

1. Director, RMCD Dte, CWC, New Delhi.
2. Director, DRIP Dte, CWC, New Delhi.
3. Director, RDC-1 Dte, CWC, West Block-1, New Delhi.
4. Director, Training Dte, CWC, New Delhi.
5. Director, R&D (under MOWR, RD & GR), CWC, New Delhi.
6. Director, Remote Sensing Dte, CWC, New Delhi.
7. Director, Morphology Dte, CWC, New Delhi.
8. Director, Coastal Management Dte, CWC, New Delhi.
9. Director, Monitoring (North) Dte, CWC, New Delhi.



Ministry of Water Resources,  
River Development & Ganga Rejuvenation

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Secretary  
Dy. No. 1166  
Date  
C.W.C. 9/4/18

**Subject : Review of Expenditure during 2017-18**

During the year 2017-18, the original budget provision for the Ministry was Rs. 6887 crore. Initially, in a meeting held with the officers of Ministry of Finance, it was decided to revise the budget allocation to Rs. 5360 crore. In view of the substantial unspent amount available with the NMCG and non-availability of funds for National Ganga Plan (NGP), out of Clean Energy Fund, it was decided that a sum of Rs. 2300 crore for NGP/Ghat beautification will be deleted at the supplementary stage. On the other hand, it was agreed that budget provision for some of the schemes, such as Flood Management Programme (FMP), SMI/RRR, etc. will be enhanced at the supplementary stage. However, later the original budget provision for NGP and Ghat beautification was continued, as a result, the RE for the Ministry was enhanced to Rs. 7660 crore. Against the RE of Rs. 7660 crore, the expenditure including the expenditure of non-scheme works out to be Rs. 5340.37 crore. Thus, the expenditure against RE works out to be approximately 70%. The major reason for lesser expenditure can be attributed to release of only 700 crore against the budget provision of Rs. 2300 crore under Namami Gange. The other major savings came from lesser outgo towards debt servicing to NABARD under PMKSY.

The Budget provision for the Ministry under some of the schemes has been far less as compared to the requirement resulting in liabilities under some of the schemes, notably FMP. On the other hand, it is seen that under a number of schemes, the expenditure is much less as compared to the provisions made. It has been observed that expenditure is pretty poor in the first and second quarters resulting in lesser RE for the Ministry. During the current year, right from the beginning, earnest steps are required to be taken to ensure that not only the provision under RE stage is not reduced in case of some of the schemes, where provision at BE stage is less, gets additional allocation at supplementary stage. For this to happen, it is also necessary to simplify the process of approval, process of tendering and process of release of funds. I would separately be holding a meeting to discuss the bottlenecks in expeditious utilization of allocated funds. However, the concerned SMDs/Officers are requested to bring any difficulty in expeditious utilization of funds to my notice. My observations on expenditure under major schemes are given below:

- (i) Farrakka Barrage Project (FBP): During the year 2017-18, the original budget provision was Rs. 155 crore which was reduced to Rs. 135 crore at supplementary stage as per the request of FBP



authorities. The final expenditure has been reported as 119.68 crore. During the review meeting taken by me on 21.3.2018, I was assured that unutilized amount would be only Rs. 4.45 crore. However, it is seen that against the revised RE, the fund to the extent of Rs. 15.32 crore remained unutilized. For the next year, the budget provision (Rs. 195 crore) is substantially higher. To utilize the higher allocation, steps should be taken right from the beginning so that there would be no occasion for reduction in the allocation at RE stage and no surrender of funds is made at the end of the year.

- (ii) DRIP: Under DRIP, the original budget allocation was Rs. 160 crore which was reduced to 95 crore on account of poor pace of utilisation. Against the reduced budget provision of Rs. 95 crore, the actual expenditure has been reported to be Rs. 81.10 crore. For the year 2018-19, a budget provision of Rs. 124 crore has been made, which is approximately 50% higher than the amount spent during 2017-18. This budget provision is to be utilized by CWC and DVC. These Agencies are requested to take required action right from the beginning so that the reduction at supplementary stage or surrender of funds at the end of the year is avoided.
- (iii) Namami Gange: Against the initial budget provision of Rs. 2550 crore, the RE stood at Rs. 3023 crore as original budget provision under Namami Gange was restored, whereas under EAP component of NRCP, the budget provision was enhanced from Rs. 130 crore to 627 crore. In view of the substantial unutilized funds available with Namami Gange, the release of fund was limited to Rs. 700 crore against the budget provision of Rs. 2300 crore. For the next year too, the total budget provision is Rs. 3070 crore of which a sum of Rs. 2300 crore has been provided for Namami Gange Programme and Ghat beautification. Since NMCG has unutilized balance of approximately Rs. 2000 crore at the end of the FY 2017-18, the total funds available with them for the year 2018-19 would be little in excess of Rs. 5000 crore. NMCG has to expedite its execution of various projects so that we do not face similar situation as we faced during FY 2017-18.
- (iv) Flood Forecasting and DWRIS: The original budget provision for these two Schemes was Rs. 65 crore and Rs. 145 crore respectively, making a total of Rs. 210 crore. Due to poor pace of expenditure, the allocation at supplementary stage was reduced to Rs. 45 crore and Rs. 70 crore respectively, making the total RE of Rs. 115 crore. However, this reduced amount could also



not be fully utilized. The expenditure incurred under these two schemes were Rs. 36.24 crore and Rs. 58.37 crore making a total of Rs. 94.61 crore. During the review meeting taken by me on 21.3.2018, I was assured that under Flood Forecasting Scheme, a sum of Rs. 40 crore would be spent and under DWRIS, Rs. 65 crore would be spent. However, that did not happen. During 2018-19, these two schemes have been merged and the combined budget provision for the two schemes is Rs. 211 crore. This would imply more than doubling the expenditure. For the FY 2017-18, necessary steps should be taken right from the beginning and bottleneck, if any, should be brought to my notice.

- (v) Ground Water Management & Regulation: Under this Scheme, a sum of Rs. 500 crore was initially approved. However, due to poor pace of expenditure, the budget provision was reduced to Rs. 275 crore at supplementary stage. However, even the reduced allocation could not be utilized fully. The final expenditure reported is Rs. 254.62 crore. For the next year, the budget provision is Rs. 450 crore, which would mean approximately 80% higher expenditure compared to the expenditure incurred during FY 2017-18. I have been told that most of the payments for the outsourced drilling activity will be done during the FY 2018-19. The payment procedure should be simplified so that there is no delay between work executed and payment made.
- (vi) National Hydrology: Under this Scheme, the original budget provision was Rs. 300 crore which was reduced to Rs. 185 crore. The final expenditure reported during FY is Rs. 177.91 crore. However, the budget provision for the next FY is Rs. 250 crore, which would imply approximately 40% more expenditure to be incurred during FY 2018-19 compared to FY 2017-18.
- (vii) R&D Programme: The original budget provision of Rs. 40 crore was increased to Rs. 60 crore at the RE Stage. However, the expenditure was Rs. 48.91 crore only. Asking for additional budgetary provision at supplementary stage and not utilising the same speaks of financial imprudence. During the next year a much higher budget allocation of Rs. 95 crore has been made. This will require almost doubling the expenditure as compared to FY 2017-18.
- (viii) HRD & Capacity Building: The budget provision was Rs. 25 crore which was increased to Rs. 29 crore at the supplementary stage. However, the expenditure figure reported at the end of the FY was Rs. 27.22 crore.



Under this scheme too, the budget provision has been substantially enhanced to Rs. 63 crore for the year 2018-19. This would require proper planning right from the beginning to utilize the higher allocation.

- (ix) Infrastructure Development: Against the budget provision of Rs. 45 crore initially, at RE stage the budget provision was enhanced to Rs. 50 crore. However, the expenditure reported was Rs. 43.24 crore only. It implies that even the original budget provision could not be fully utilized. For the next year, we have a substantially higher budget provision of Rs. 88 crore. This would require more than doubling the expenditure during FY 2018-19.
- (x) PMKSY/AIBP/HKKP: The original budget provision was Rs. 1450 crore, which was enhanced to Rs. 1880 crore at RE stage. Of the budget provision, the major amounts related to debt servicing. Under debt servicing, the original budget provision of Rs. 990 crore was enhanced to Rs. 1140 crore, whereas, the actual expenditure incurred was Rs. 609.78 crore. The estimation towards payment of interest to NABARD for the loan taken under LTIF was way off the target. For the current year, the budget provision is substantially higher at Rs. 2600 crore. Of this, a sum of Rs. 2290 crore is earmarked for debt servicing. In my opinion, the requirement towards debt servicing would be to the tune of Rs. 1600 crore, considering the amount already availed from NABARD during last two years and the amount likely to be availed during the current year. On the other hand, under SMI and RRR, the original provision of Rs. 450 crore was enhanced to Rs. 745 crore and the entire amount has been utilized. Surprisingly the budget provision for 2018-19 is only 300 crore, even much lower than the BE for 2017-18. We should utilize this budget provision of Rs. 300 crore preferably in the first quarter itself so that we could seek more amount at the supplementary stage.
- (xi) FMP & River Management Activities in Border Areas: Under these two schemes, the original budget provision was Rs. 150 crore and Rs. 200 crore respectively. The budget provision under FMP was enhanced from Rs. 150 crore to Rs. 563 crore at the supplementary stage. This amount has also been fully utilized. However, while grant-in-aid to the States under River Management Activities in Border Areas were fully utilized, the expenditure on some other components was less, which meant the budget utilization of only 186.50 crore from the RE of Rs. 203 crore. These two Schemes have been



merged now and for the FY 2018-19, the budget provision under these two schemes is only Rs. 527 crore. Under FMP, we are currently having a liability of more than Rs. 4000 crore and we need to clear these liabilities as soon as possible. Steps should be taken to utilize the budget provision under these schemes in the first 3-4 months so that we may be able to get more funds at the supplementary stage. Commissioner (FM) may form teams for various States to verify the status of the projects pertaining to which huge liability is shown against Govt. of India. In respect of works which have been completed, utilising funds from the States own resources, we can take steps for reimbursement of central share depending on the actual expenditure incurred. In case of incomplete works, we may prioritise projects for funding and completion.

- (xii) Irrigation Census: The original budget provision of Rs. 25 crore was reduced to Rs. 15 crore. The amount has been fully utilized. However, it is to be noted that for the next year, the budget provision is substantially higher at Rs. 50 crore. Such higher budget provision has been kept, keeping in view the start of the 6<sup>th</sup> MI Census. Steps should be taken right from the beginning for full utilisation of the budget provision during FY 2018-19.



(U.P. Singh)

Secretary (WR, RD & GR)

April 4, 2018

JS(FA) / JS(A&GW) / Commr (SPR) / Commr (FM) /  
Chairman, CWC

5.4.18

M(WP&P | D&R | RM) / CE(ARM) / Dir(TC)