

GOVERNMENT OF INDIA  
MINISTRY OF JAL SHAKTI,  
DEPARTMENT OF WATER RESOURCES, RIVER DEVELOPMENT & GANGA REJUVENATION  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1526**  
ANSWERED ON 08.03.2021

**RELEASE OF POLAVARAM DUES**

1526 SHRI PRABHAKAR REDDY VEMIREDDY

Will the MINISTER OF JAL SHAKTI be pleased to state:-

- (a) whether Chief Minister of Andhra Pradesh has submitted a Memorandum to Home Minister on 19-02-2021 for releasing Polavaram dues already spent by State Government and accepting Rs.55,650 crores recommended by Technical Expert Committee
- (b) if so, action taken on above request
- (c) whether delays in processing requests from State Government results in cost and time overruns
- (d) the amount of fund due to State Government and by when the dues are going to be cleared and
- (e) whether the Ministry is considering a mechanism by which funds can be flown easily and the project can be completed by early 2022?

**ANSWER**

THE MINISTER OF STATE FOR JAL SHAKTI & SOCIAL JUSTICE AND EMPOWERMENT  
(SHRI RATTAN LAL KATARIA)

- (a) & (b) No information in this regard is available in the Ministry of Home Affairs, Government of India.
- (c) Government of India has been reimbursing the expenditure on Irrigation component of the Polavaram Irrigation Project (PIP) with effect from 01.04.2014, upon receipt of verified bills and recommendations from the Polavaram Project Authority (PPA) and Central Water Commission (CWC), with specific approval of Ministry of Finance (MoF).

Funds are being provided for PIP through Extra Budgetary Resources (EBR) from NABARD under Long Term Irrigation Fund (LTIF). Further, NABARD raises the funds from the market once requirement of requisite amounts is conveyed to them by this Ministry. NABARD normally requires about two to three weeks to arrange funds from market (depending upon market conditions) and transfer to National Water Development Agency (NWDA), who in turn remit the same to PPA. Thereafter, the funds are transferred to the Government of Andhra Pradesh (GoAP) promptly by PPA, normally within one or two working days. So, there is no time over-run on this account.

Further, since the funds being provided are reimbursement of expenditure made, there is no question of cost over-run due to the processing time.

(d) GoAP has informed that an expenditure of Rs.12,392.18 crore has been incurred on the project from April 2014 to January, 2021. Central Assistance (CA) totaling Rs.10,848.36 crore has already been released to the project since 01.04.2014. GoAP has, vide letter dated 20<sup>th</sup> January, 2021, further requested PPA for reimbursement of Rs.1,569.86 crore. Thus remittance of funds to the State Government against expenditure made on PIP, is a continual process, as per the admissible and approved reimbursement amounts.

(e) As detailed at para (c) above, the fund flow mechanism is already simplified and streamlined.