

No.P.15011/3/2015-SPR
Government of India
Ministry of Water Resources, River Development & Ganga Rejuvenation

Shram Shakti Bhavan, Rafi Marg,
New Delhi - 110001.

Dated 17th December, 2015

To

The Chief Secretary,
Government of all States of Union of India

Subject: Guidelines for Investment Clearance by the M/o Water Resources, River Development & Ganga Rejuvenation in respect of Irrigation and Flood Control Projects.

Sir,

The Government has approved the transfer of powers for according Investment Clearance to major, medium irrigation, Extension, Renovation & Modernisation (ERM) of Projects, Flood Control and Multi-purpose projects from the erstwhile Planning Commission to the Ministry of Water Resources River Development and Ganga Rejuvenation (M/o WR, RD&GR). Accordingly, and keeping in view the policy of decentralization, the guidelines for investment approval by the (M/oWR, RD&GR) for Irrigation and Flood Control including drainage projects are detailed below:

A. Investment clearance by the State Governments

- (1) The State Governments are empowered to accord investment approval for the major and medium irrigation & or multi-purpose and flood control projects including drainage projects, which do not have inter-State ramifications. A project will be exempted from seeking investment clearance of Government of India in the following cases:
- (i). If the water utilization from the project does not impinge upon any inter-state water agreement, tribunal awards, and existing allocation or is dependent on the residual flows resulting from previous inter-State allocations, no investment clearance will be required. However, inter-State issues shall continue to be handled by CWC and clearance shall be obtained from CWC before approving the project.
 - (ii). If the Project is not covered under (i) above and does not envisage any Central assistance through Central Sector or Centrally Sponsored Scheme, no investment clearance will be required from this Ministry. However, the major/medium and multi-purpose projects envisaging central assistance through Central Sector or Centrally Sponsored Schemes shall continue to need investment clearance.
 - (iii). Projects other than Major, Medium and multi-purpose Projects such as Schemes of Surface and Ground Water Minor Irrigation, Command Area Development and Water Management, Repair, Renovation and

Restoration of water bodies will continue to be approved by the respective State Governments, as per the existing policies.

- (iv). The State Governments shall intimate with the copy of the investment clearance accorded by them in respect of eligible schemes to the M/oWR, RD, & GR, NITI Aayog (Water Resources Division), Central Water Commission and all concerned Central Ministries Organisations.
- (2) Before according the investment approval to the schemes/projects, the concerned State/UT Government will first obtain a certificate from the Central Water Commission to the effect that such project/scheme does not have any inter-state or international ramifications/implications in case of major and medium irrigation (and multi-purpose) projects as a pre-requisite whereas for flood and drainage projects/schemes, a similar certificate from Ganga Flood Control Commission in case of all Ganga basin States, the Brahmaputra Board in case of all the North Eastern States including Sikkim and CWC in case of all other flood schemes of the States shall be obtained.
- (3) The State Government should take into account the committed liabilities of ongoing schemes vis-a-vis the availability of resources for the implementation of such scheme in the Plans so that available resources are not thinly spread over number of schemes resulting in time and cost overruns. For this purpose, the State Irrigation/Water Resources Department should obtain the clearance from their State Planning Department.
- (4) The State Government shall also obtain all required statutory clearance(s) from the Ministry of Environment & Forests and Ministry of Social Justice and Empowerment such as environmental clearance; forest clearance, approval for rehabilitation and resettlement plan and all other clearances, as may be required by the Ministry in accordance with their latest guidelines/norms fixed by them, before the investment approval is accorded.
- (5) Before according investment approval, the State Government shall satisfy itself that:
 - (i). The schemes have been prepared after adequate investigations; and planning / designs have been made conforming with relevant standard codes and practices;
 - (ii). The estimates are complete and correct technically;
 - (iii). The financial forecasts and estimates of benefits anticipated are based on reliable and accurate data; and
 - (iv). The needs of environment conservation and proper rehabilitation of project-affected persons have been taken into account.

B. Investment clearance by the MoWR, RD & GR.

- (1) All new major and medium irrigation projects and flood control projects or coastal protection projects including multi-purpose and which have Inter-State or International ramifications will be subject to techno-economic appraisal in CWC and then approval by the Advisory Committee on Irrigation, Flood Control and Multi-purpose Projects in the MoWR, RD & GR. The investment clearance will henceforth be accorded by this Ministry

in place of the erstwhile Planning Commission. The following categories of projects of State Governments, located on inter-state rivers or their tributaries, based on Benefit-Cost Ratio and Technical Feasibility established after exhaustive appraisal by Central Water Commission (CWC), may be recommended for Investment Clearance:

- (i). Major Irrigation (CCA more than 10000 ha.) & Medium Irrigation (CCA more than 2000 ha and less than 10000 ha.) Projects including Multipurpose water resources projects,
- (ii). Extension, Renovation & Modernisation of Irrigation Projects,
- (iii). Flood Control Projects (Major projects costing more than Rs. 25 crore and Medium project costing more than Rs.12.5 crore). These costs would be revised on the basis of inflation index every five years, at the sole discretion of the Committee.
- (iv). In respect of revised project estimates for Major Irrigation and Multipurpose Projects where there is no change in the scope and where the costs escalation due to price rise alone have not changed by more than 15%, the concerned State Govt. need not forward detailed estimates for examination at Centre. For such projects/estimates the procedure will be as follows:

- the State Govt. should send project-wise statements of excess costs to CWC giving the abstract of costs under major sub-heads indicating the excess costs over the sanctioned costs and reasons there for after obtaining concurrence of the State Finance Department.
 - The covering note will include the salient features of the project contemplated in original proposal and that being executed at site.
 - The CWC will examine such estimates broadly and send its views to the Committee for consideration and recommendation for investment clearance:
 - No successive proforma clearances will be allowed after a cap of 15%.
- (v). Revised Cost Estimate of Projects for cost escalation beyond 15% of the cost approved in the last accorded Investment Clearance for reasons other than cost escalation beyond 15%, viz. change in scope, technical reasons etc., the procedure at (iv) above would not be applicable. In that case appraisal procedure through Advisory Committee will be followed.
 - (vi). Extension of time after lapse of duration to complete a previously cleared project without any change in scope or estimate will be examined on case to case basis based on detailed justifications submitted by the State Govt. directly by the Committee in MOWR, RD & GR.
 - (vii). As a general principle any project which is located on an inter-State river or its tributary will be deemed to involve inter-State

ramifications and as such shall need investment clearance from this Ministry.

(2) The States will submit the proposals for Investment Clearance, along with check-list (format as annexed) to CWC, Headquarters. CWC will compile all such proposals and send fortnightly report to Ministry of WR, RD & GR with recommendations for the proposed Committee for Investment Clearance. While processing in CWC, the CWC will take into account overall picture of implementability of the project without affecting the implementation of other projects under irrigation sector, overall state plan size, the year-wise allocation for the project including allocation for all other ongoing projects and capacity of State Government to incur financial expenditure and bottlenecks in implementation of the projects.

(3) The following Committee is being constituted for making recommendations for Investment Clearance to the Hon'ble Minister of Water Resources, River Development and Ganga Rejuvenation:

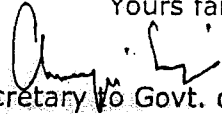
- a) Secretary (WR, RD & GR) - *Chairperson*
- b) Chairman, CWC
- c) Advisor (WR), NITI Aayog
- d) JS&FA, MoWR, RD & GR
- e) JS (PP), MoWR, RD & GR
- f) Commissioner - SPR/FM, MoWR, RD & GR - *Member Secretary **
- g) *Economic Adviser, MoWR, RD & GR*
- h) Chief Engineer (PAO), CWC (Permanent Invitee)

*Commissioner (SPR) will be the Member-Secretary and Commissioner(FM) will brief the Committee on Flood Control Projects.

(4) The meeting of Committee, after receipt of the proposals in the MoWR, RD & GR, will be convened for considering the proposals for recommendation of Investment Clearance. The Investment Clearance will be granted on the basis of detailed check-list enclosed herewith for benefits cost ratio more than one. Investment clearance will be granted after recommendation of committee by the Hon'ble Minister of Water Resources, River Development and Ganga Rejuvenation in the Ministry.

The above guidelines take place with immediate effect.

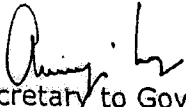
Yours faithfully,


Special Secretary to Govt. of India
Tel. No. 2371 0619

Copy for information to:

1. Cabinet Secretary, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
2. Principal Secretary, Prime Minister's Office, South Block, New Delhi.
3. Secretary to President, President Estate, New Delhi.
4. Secretary, Ministry of Agriculture & Farmers' Welfare (Department of Agriculture & Cooperation), Krishi Bhavan, New Delhi.
5. Secretary, Ministry of Environment, Forests & Climate Change, New Delhi.
6. Secretary, Ministry of Social Justice & Empowerment, Shastri Bhavan, New Delhi.
7. Chairman, Central Water Commission, Sewa Bhavan, R.K.Puram, New Delhi.

8. Chairman, Ganga Flood Control Commission, Patna, Bihar.
9. Chairman, Brahmaputra Board, Guwahati, Assam.
10. Joint Secretary, Ministry of Finance, Department of Expenditure, Plan Finance, North Block, New Delhi.
11. Chief General Manager, NABARD, Sterling Centre, Post Box No.6552, Dr. Annie Besant Road, Worli, Mumbai-18.
12. Irrigation Secretary of all the States/Administrator of UTs.
13. Adviser (Admn.)/Adviser (P&E), NITI Aayog
14. NIC for uploading on the site of Ministry of WR,RD&GR.


Special Secretary to Govt. of India
Tel. No. 2371 061

2) Status of requisite administrative/ Statutory clearances:

Whether the scheme has been recommended by the State Technical Advisory Committee and then approved by the State Flood Control Board. If so provide details.	
Letter No. along with date of Environment Clearance granted by MoEF&CC, if applicable. (Attach copy)	
Letter No. along with date of Forest Clearance granted by MoEF&CC, if applicable. (Attach copy)	
State Finance Concurrence for the approved cost (letter no. & date, copy to be attached)	

3) Physical and financial progress of project for which investment clearance is being sought.

Physical progress:

Sl. No.	Name of Component	Unit	Estimated quantity	Completed up to ____	Progress in %	Target for the balance quantity		Status of balance work	Reason for delay
						For the year ____	For the year ____		

Financial progress:

Sl. No.	Description	As per the approved cost (in Rs. Cr.)	Expenditure incurred as on _____ (in Rs. Cr.)	Balance expenditure to be incurred (in Rs. Cr.)	Target for the balance work	
					For the year ____ (in Rs. Cr.)	For the year ____ (in Rs. Cr.)

4) On-going Flood Control projects of the State – their physical and financial progress and status of balance works.

4.1 Physical detail

Name of the project:

Estimated Cost (with Price Level):

Sl. No.	Name of Component	Unit	Estimated quantity	Completed up to ____	Progress in %	Target for the balance quantity		Status of balance work	Reason for delay
						For the year ____	For the year ____		

4.2 Financial detail

Name of the project:

Estimated Cost (with Price Level):

Sl. No.	Head	As per the approved cost (in Rs. Cr.)	Expenditure incurred as on ____ (in Rs. Cr.)	Balance expenditure to be incurred (in Rs. Cr.)	Target for the balance work	
					For the year ____ (in Rs. Cr.)	For the year ____ (in Rs. Cr.)

5) With implementation of the project for which investment clearance is sought the burden on financial resources of other on-going projects including O&M of other completed projects.

Annexure-V

Check list for investment clearance in respect of Flood Control, Drainage, Anti-river erosion and Anti-sea erosion Projects

1) Project Summary:

Name of the Scheme	:		
Name of river, river basin and district in which the scheme is situated	:		
Whether overall Master Plan prepared or not?	:		
Whether the proposed scheme comes under the Master Plan? If so, please provide detail.	:		
Nature of scheme – whether new embankments, raising and strengthening of existing embankment, drainage, anti-erosion, town protection etc.	:		
Project proposal	:		
Area benefitted (for works other than anti erosion scheme)	:		
Districts benefitted	:		
Population benefitted	:		
Approved Cost by Advisory Committee of Ministry of Water Resources, RD&GR	: Crore @ Price Level.....	
Construction programme and completion period:	Name of Component	Year	Physical programme in %
Phasing of expenditure:	Year		Proposed Expenditure (Rs. In Cr.)
	Total		
B.C ratio			
Attach salient features and index map of the scheme			

Annexure-VI

Check list for investment clearance in respect of Revised Cost Estimate of Flood Control, Drainage, Anti-river erosion and Anti-sea erosion Projects

1) Project Summary:

Name of the Scheme	:		
Name of river, river basin and district in which the scheme is situated	:		
Whether overall Master Plan prepared or not?	:		
Whether the proposed scheme comes under the Master Plan? If so, please provide detail.	:		
Nature of scheme – whether new embankments, raising and strengthening of existing embankment, drainage, anti-erosion, town protection etc.	:		
Area benefitted (for works other than anti erosion scheme)	:		
Districts benefitted	:		
Population benefitted	:		
Date of investment clearance of original project (copy may be attached)	:		
Original Estimated Cost with Price Level	: Crore @ Price Level.....	
Approved Revised Cost by Advisory Committee of Ministry of Water Resources, RD&GR	: Crore @ Price Level.....	
Whether there is change in Project proposal? If so, comparative statement of changes in the project proposal	Original Proposal	Project Revised Project proposal	
Construction programme and completion period:	Name of Component	Year	Physical programme in %
Phasing of expenditure:	Year	Proposed Expenditure (Rs. In Cr.)	
	Total		
B.C ratio			
Attach salient features and index map of the scheme			

2) Status of requisite administrative/ Statutory clearances:

Whether the scheme has been recommended by the State Technical Advisory Committee and then approved by the State Flood Control Board. If so provide details.	
Letter No. along with date of Environment Clearance granted by MoEF&CC, if applicable. (Attach copy)	
Letter No. along with date of Forest Clearance granted by MoEF&CC, if applicable. (Attach copy)	
State Finance Concurrence for the approved cost (letter no. & date, copy to be attached)	

3) Physical and financial progress of project for which investment clearance is being sought.

Physical progress:

Sl. No.	Name of Component	Unit	Estimated quantity	Completed up to ____	Progress in %	Target for the balance quantity		Status of balance work	Reason for delay
						For the year ____	For the year ____		

Financial progress:

Sl. No.	Description	As per the approved cost (in Rs. Cr.)	Expenditure incurred as on ____ (in Rs. Cr.)	Balance expenditure to be incurred (in Rs. Cr.)	Target for the balance work	
					For the year ____ (in Rs. Cr.)	For the year ____ (in Rs. Cr.)

4) On-going Flood Control projects of the State – their physical and financial progress and status of balance works.

4.1 Physical detail

Name of the project:

Estimated Cost (with Price Level):

Sl. No.	Name of Component	Unit	Estimated quantity	Completed up to ____	Progress in %	Target for the balance quantity		Status of balance work	Reason for delay
						For the year ____	For the year ____		

4.2 Financial detail

Name of the project:

Estimated Cost (with Price Level):

Sl. No.	Head	As per the approved cost (in Rs. Cr.)	Expenditure incurred as on ____ (in Rs. Cr.)	Balance expenditure to be incurred (in Rs. Cr.)	Target for the balance work	
					For the year ____ (in Rs. Cr.)	For the year ____ (in Rs. Cr.)

5) With implementation of the project for which investment clearance is sought the burden on financial resources of other on-going projects including O&M of other completed projects.
