

Directives for Irrigation Sector

Directives by the Governor of Maharashtra under Rule 7 of the Development Boards for Vidarbha, Marathwada and the Rest of Maharashtra Order, 1994, the region-wise distribution of the Annual Plan outlays, time frame for its removal and region-wise allocation for the removal of backlog of Irrigation sector in the Annual Plan FY 2008-09.

1. Introduction :

1.1 The State of Maharashtra (Special Responsibility of Governor for Vidarbha, Marathwada and the Rest of Maharashtra) Order, 1994 made by the President of India under Article 371(2) of the Constitution of India has assigned the Governor of Maharashtra special responsibility for matters specified in sub Clauses (b) and (c) of Clause (2) of Article 371 of the Constitution in respect of the areas of Development Boards for Vidarbha, Marathwada and the Rest of Maharashtra. On 30 April 1994, the Governor of Maharashtra issued the “Development Boards for Vidarbha, Marathwada and the Rest of Maharashtra Order, 1994” (hereinafter referred to as the Order) constituting separate Development Boards for the said three regions.

1.2 According to Rule 7 of the said Order, the Governor of Maharashtra has the special responsibility of ensuring equitable allocation of funds for development expenditure over the areas of Development Boards, subject to the requirements of the State as a whole.

1.3 According to Rule 8 of the said Order, the allocation of funds or outlays made by the Governor shall be reflected in the Annual Financial Statement to be placed before the State Legislature and the development activities with regard to the outlays as aforesaid, shall be carried out or caused to be carried out by the

State Government and the funds so allocated shall be non-divertible from the area of one Board to that of another Board.

2. These Directives are issued in continuation of the Governor's Directives dated 6 March 2006 and 1 March 2007.

3. **Annexure I** indicates the comparative position of financial backlog in Irrigation Sector between 2002 and 2007. **Annexure II** gives the statement of region-wise percentage of population, net sown area and backlog of Irrigation sector in the state. **Annexure-III** gives the statement of on-going projects and their balance costs as on 1 April 2004.

4. Formula for equitable distribution of allocation in Irrigation Sector :

4.1 The Directives dated 6 March 2006 aim at liquidating the remaining backlog as on 1st April 2005 in Irrigation Sector in next four years. The backlog in the Irrigation sector was assessed in 1994 by the Indicators & Backlog Committee by using the cost-norm of Rs.50000 per hectare. However, the Water Resources Department had finalised the region-wise backlog as on 1 April 2000 by taking into consideration the remaining cost of projects identified for backlog removal instead of uniform cost of Rs. 50000 per hectare. Since then the backlog in the subsequent years has been calculated by deducting the expenditure incurred on backlog removal from the financial backlog as on 1 April 2000. In continuation of this practice, the Water Resources Department has communicated the backlog as on 1 April 2006 which has been obtained by deducting the expenditure incurred on backlog removal (i.e. by multiplying the assigned weightage attached to backlog removal in the respective year to the expenditure incurred) from the financial backlog as on 1 April 2002. By adopting the similar methodology the Water Resources Department has now communicated the backlog as on 1st April 2007 as specified in Annexure-1

which is being considered for allocations under backlog removal, i.e. for assigning weightage to the backlog factor as shown in Annexure-V.

This procedure has given rise to certain anomaly in the calculation of the latest figures for backlog. While the basic values of 1st April 2000 are taken into consideration for assessing the backlog, the values subtracted subsequently have not been adjusted for inflation. However this is being done for the sake of expediency and this adjustment will be carried out at some later date.

The issue of mismatch between the financial and physical backlog in the Irrigation sector, occurred as a result of the aforesaid anomaly has been dealt with in details at Clause 7.12 of the Directives dated 15 December 2001. While giving emphasis on removal of financial backlog, it was then presumed that the financial backlog would be wiped out in four years, i.e. by April 2006 and the fresh assessment of backlog giving emphasis on physical backlog would be carried out. Since, the backlog was not liquidated within the stipulated time frame and the same has been extended up to April 2010 by the Directives dated 6 March 2006 the above mentioned exercise will be carried out thereafter.

4.2 The directives dated 6 March 2006 stipulated a workable calendar for the region-wise allocation of outlay with respective weightage to backlog, population, net sown area and on-going projects as given below:

Year	Weightage to :			
	Backlog	Population	Net sown area	On-going projects
2006-07	25	40	20	15
2007-08	35	30	20	15
2008-09	45	20	20	15
2009-10	55	10	20	15

4.3 As the present tenure of the Development Boards is till 30th April 2010, it was envisaged that the backlog should be liquidated within four years commencing from 1st April 2006. Therefore, for the remaining financial backlog of **Rs. 3217.58 crore** as on 1 April 2007 to be removed within the **next 2 years**, a minimum of **Rs.1608.79 crore** will have to be allocated every year to the Irrigation sector for removal of backlog. By assigning 40% weightage to backlog in overall allocation for the Irrigation sector as stipulated in Clause 7.6 of the Directives dated 6 March 2006, an amount of **Rs. 4021.98 crore** would be the minimum allocation in the Irrigation sector for next 2 years.

4.4 Now, the Planning Department by its communication dated **6 March 2008** has specified that the overall allocation for the Irrigation sector in the Annual Plan of FY 2008-09 is **Rs.5940 crore**. **However, the divisible outlay allocated to irrigation department i.e. Rs.5100 crore out of which the outlay of Rs.4021.98 crore is considered for the purpose of the Directives as explained in Para 4.3.** Four factors, namely, backlog, net sown area, population (excluding population of Greater Mumbai) and on-going irrigation projects form the basis for the formula for equitable allocation. The region-wise distribution of allocation of outlay amongst the three regions based on this formula is given at **Annexure V**. Thus for FY 2008-09 with weightage to backlog at 45%, population at 20%, net sown area at 20% and on-going projects at 15%, the allocation in the Irrigation Sector, for Vidarbha will be Rs. 2029.49 crore, the allocation for the Marathwada region will be Rs. 822.90 crore and allocation for the Rest of Maharashtra region will be Rs.1169.59 crore.

4.5 Expenditure incurred in the Irrigation sector in the Annual Plans of FY 2004-05 and FY 2005-06 :

In para 4.5 of the Directives of the Governor dated 1 March 2007, the Governor directed that the distortions in the expenditure in FY 2004-05 and FY

2005-06 are to be made good in a phased manner over next three years i.e. 2007-08, 2008-09 and 2009-2010 as specified in Annexure-IV. Therefore, the Governor has directed that the shortfall of Rs.438.82 crore in Vidarbha and Marathwada Rs.100.26 crore in Marathwada be made good and the excess expenditure of Rs.539.08 crore in the Rest of Maharashtra be deducted from outlay allocated to them in FY 2008-09.

4.6 Additional outlay given to Marathwada region under Marathwada package in FY 2007-08 :

By letter dated 20 November 2007, the Governor has conveyed his recommendation to place before both the houses of the State Legislature the supplementary statement of Expenditure for FY 2007-08 which included additional outlay of Rs. 100 crore allocated to the Marathwada region under Marathwada Package. He has directed that the Vidarbha region will be duly compensated for this additional outlay over next two years as per the formula laid down in the Directives for the year 2007-08. The Rest of Maharashtra region will also have to be compensated on the same lines. To compensate the other two regions for the additional outlay of Rs. 100 crore provided to Marathwada as per the formula laid down in the Directives for the year 2007-08, an outlay of Rs. 371.25 crore will have to be provided out of which Rs. 207.21 crore will be provided for Vidarbha and Rs. 164.04 crore for the Rest of Maharashtra. Since the additional outlay under Marathwada Package is to be made good in two years, an outlay of Rs. 185.62 crore i.e. 50% of Rs. 371.25 crore will have to be additionally provided to Vidarbha and Rest of Maharashtra during FY 2008-09. The statement showing above details is given at Annexure-IV A. While working out the region-wise outlays for Irrigation sector, the amount of Rs. 185.62 crore is deducted from the minimum prescribed outlay of Rs. 4021.98 crore and the region-wise allocation of the remaining amount is decided as per the formula for FY 2008-09. Then the adjustments are made to accommodate the aberrations in expenditure in FY 2004-05 and 2005-06 as well as additional outlay to Marathwada under

Marathwada Package. The final statement of region-wise allocation after incorporating all the adjustments is given in Annexure-VI.

5. In addition to this the guidelines laid down by earlier Directives in respect of allocation of non-budgetable outlay, decentralization of powers to give approvals and divisible and non-divisible plan outlays and the guidelines prescribed by the Directives dated 6 March 2006 in respect of committed expenditure, projects under NABARD and AIBP and DPAP areas stand as they are. It is also reiterated that the Development Boards should be involved in deciding priority and identification of the projects for liquidation of backlog by the Irrigation Development Corporations and the Government to ensure meaningful participation of the Boards in the functioning of these corporations.

6. Irrigation Backlog in Amravati Division :

Vidarbha region consists of 11 districts, which are sub grouped into 2 Revenue Divisions namely Nagpur and Amravati. The districts of Akola, Washim, Amravati, Buldhana and Yavatmal are included in Amravati Division. The backlog in the irrigation sector of Amravati Division as on 1st April 2007 is Rs. 2477.65 crore, which is 77% of the total irrigation backlog in the state and 99.22% of the irrigation backlog of Vidarbha region. In order to achieve the objective of liquidation of total backlog in the state by March 2010, it is now imperative to wipe out the backlog in Amravati Division. The high incidence of farmers' suicides and rural distress in the same Division further add to the gravity of the situation. Therefore it is of utmost importance that all the issues related to backlog removal in Amravati Division are adequately and timely addressed by the State Government.

It is observed that during FY 2001-02 to FY 2004-05 the actual expenditure in Amravati Division vis-à-vis the plan allocation has been abysmally low as indicated in the Table placed at Annexure-VII-C. The situation has improved to

some extent in the year 2006-07 wherein ratio of expenditure to outlay has gone upto 56.21%. However after taking stock of the present scenario prima facie it is observed that the number of irrigation projects in hand in Amravati Division especially in the districts of Amravati, Akola and Washim are not adequate to liquidate the backlog. Since major portion of the area is under forest cover, many of the projects are delayed for want of environmental and forest clearances. In this background in order that the backlog is fully liquidated by March 2010 it is necessary for the Water Resources Department to take up a time bound programme of completion of on-going projects and if required take up new projects on an urgent basis in Amravati Division. The Water Resources Department by their letter dated 4th February 2008 has submitted a proposed financial and physical programme for the years 2008-2009 to 2010-2011 to the Governor's office which is placed at Annexure-VII-A and VII-B. It is indicated by the department that by implementing the aforesaid programme the backlog of Rs.2063.65 crore in Amravati Division will be wiped out by March 2010 and remaining backlog of Rs. 414 crore will be liquidated in the succeeding year as shown in the Table placed at Annexure-VII D.

His Excellency the Governor has directed that the Water Resources Department should strictly adhere to the aforesaid programme in a time bound manner. Since the completion of ongoing projects is not adequate to achieve the target of backlog removal in Amravati division, the Water Resources Department has to expedite at various levels the execution of administratively approved projects, projects still under the process of administrative approval and the projects still under investigation. **The Governor has directed that Maharashtra Water Resources Regulatory Authority should monitor the implementation of the financial and physical programme prepared by the Water Resources Department for removal of backlog in Amravati division and submit periodic reports to the Governor. The Governor has further directed that the State Government should facilitate completion of on-going projects and taking up**

of new irrigation projects required for liquidation of backlog in Amravati Division by addressing the governance issues through measures such as giving timely approvals, expediting land acquisition process, strengthening the investigation circle in the Division, creating a dedicated wing for monitoring the projects required for backlog removal in Amravati Division, providing sufficient manpower and acquiring necessary clearances for the projects from Government of India. It is observed that the State Environmental Committee which is empowered to give environmental clearances to projects having Culturable Command Area less than 10000 hectares is not yet set up by the State Government. **His Excellency the Governor has directed that the State Government should expedite the process of setting up of State Environmental Committee and obtaining approval for the same from Ministry of Environment and Forests.**

The physical and financial programme prepared by the Water Resources Department for Amravati Division include many minor irrigation projects of local sector, which are implemented by the Water Conservation Department. **His Excellency the Governor has directed that the State Government should ensure proper coordination between the Water Resources Department and Water Conservation Department and also streamline the process of giving approval to Minor Irrigation projects of local sector for timely completion of these projects.**

7. Implementation of Inter-State Awards :

7.1 Rule 7(5) (vii) of the Development Boards for Vidarbha, Marathwada and Rest of Maharashtra Order 1994 provides that while working out the likely amount for development expenditure and its subsequent distribution amongst the three regions by the Governor, due consideration shall be given to the amounts required for expenditure related to implementation of Inter-State Agreements or Inter-State Awards and court decisions. The State Government has informally approached

the Governor and indicated that the storage of 52 TMC water out of Maharashtra's total share of 560 TMC water in Krishna river basin is yet to be created for which an outlay of Rs.1750 crore is required to be provided over a period of next three years to the Maharashtra Krishna Valley Development Corporation and failure to do so will jeopardize Maharashtra's interests before the second Krishna Water Dispute Tribunal. Further, the State government has informed that the state's expert witness Shri S. T. Deokule has already made a statement before the present Tribunal that the Government of Maharashtra is committed to complete the storages in an advanced stage of construction of approximately 50 TMC of water within next two years. Therefore, the State Government has informally requested the Governor to provide an increased allocation to the Rest of Maharashtra region for the next 2-3 years by modifying the Directives in view of the provisions under Clause 7(5) (vii) of the Development Board Rules.

7.2 The Governor fully understands the importance of the requirement of the state as a whole for fulfilling its commitments before the Inter-State River Tribunals as well as for implementation of the Inter-State Awards. However, it is observed by the Governor that most of the ongoing irrigation projects in the state except those in Konkan are in the basins of inter-state rivers such as Godavari and Krishna, which are covered by Inter-State Tribunal Awards and Tapi which is covered by bilateral agreement with Madhya Pradesh. Hence, when the applicability of Clause 7 (5) (vii) was examined in 2006 it was specified in para 5.3 of the Directives dated 6 March 2006 that in spirit of the said rule the provision of funds for incomplete irrigation projects is to be factored in for purpose of allocation of funds. Therefore since FY 2006-07, a weightage of 15% has been assigned to ongoing projects by reducing the weightages of backlog and net sown area by 10% and 5% respectively. It is the contention of the State Government that by applying the formula, though the funding for liquidation of backlog has increased, there are not adequate funds available for safeguarding state's interest in inter-state tribunals, particularly in the case of Krishna basin. Now that the new Tribunal

for Krishna basin has started functioning and claims and counter claims of different states are being heard, it has become imperative to review the earlier position taken in 2006 and to make necessary provision for safeguarding the interests of the state vis-à-vis other riparian states before the Tribunal. Thus, there is an element of urgency in considering the requirements of irrigation projects in Krishna River Basin in Maharashtra.

7.3 However, before considering the request for additional outlay for projects in Krishna river basin, the Governor felt it necessary to carry out a quick appraisal of the planning and execution of projects undertaken in Krishna river basin by Maharashtra Krishna Valley Development Corporation to achieve the live storage creation of 560 TMC water allocated by the first Krishna Water Dispute Tribunal. Maharashtra Krishna Valley Development Corporation submits its Annual Reports to the State Legislature, a copy of which is also submitted to the Governor's office. After a careful scrutiny of the information given in the Annual Reports of Maharashtra Krishna Valley Development Corporation, it has been observed that there is discrepancy in data as regards achievement in storage creation in the years 1999-2000 and 2000-2001 as shown in the Table below:

Year	6 th to 8 th Annual Reports		9 th & 10 th Annual Report	
	Live Storage created in the year (TMC)	Cumulative Live Storage (TMC)	Live Storage created in the year (TMC)	Cumulative Live Storage (TMC)
Upto 1996	385	385	385	385
1996-1997	15	400	15	400
1997-1998	32	432	32	432
1998-1999	25	457	25	457
1999-2000	25	482	14	471
2000-2001	29	511	05	476

Note : 6th Annual Report for the year 2001-02
7th Annual Report for the year 2002-03
8th Annual Report for the year 2003-04
9th Annual Report for the year 2004-05
10th Annual Report for the year 2005-06

7.4 The Water Resources Department has further communicated that after the year 2001-02 up to June 2007 live storage of 32 TMC has been created. This has also been reported in the subsequent reports of Maharashtra Krishna Valley Development Corporation. If the quantum of 32 TMC is added to the storage of 511 TMC created up to the year 2001 as reported in the 6th to 8th Annual Reports, the total storage creation till June 2007 amounts to 543 TMC leaving only 17 TMC for further achievement. However, as reported in the 9th and 10th Annual Reports, Maharashtra Krishna Valley Development Corporation has scaled down its achievement up to March 2001 by 35 TMC without giving any reason, which has restricted the total achievement of live storage creation up to June 2007 to 508 TMC leaving the quantum of 52 TMC for further storage. This anomaly in data makes it difficult to assess correctly the exact requirement of MKVDC for safeguarding the interest of the state.

7.5 In addition to this, an appraisal of Annual Reports shows the dilution of priority to the projects required to be completed to strengthen Maharashtra's case before the Tribunal. The diversion of resources to other projects not related to creation of Live Storage has resulted into slow pace of storage creation. It is to be noted that the storage of 385 TMC was already created in Krishna river basin before 1996 and additional storage of 175 TMC was to be created since then to protect Maharashtra's share in Krishna water. However, despite spending resources worth Rs.12391 crore during April 1996 to March 2007, there is still a demand of Rs.1750 crore for storage creation of remaining 52 TMC of water.

7.6 In this background the Governor has decided that the issue of scaling down the achievement by Maharashtra Krishna Valley Development Corporation without adequate explanation and the data provided by them regarding the storage creation actually achieved and yet to be achieved need to be validated by an independent agency. Since the provisions of Clause 21 (1) & (2) and proviso of Clause 11(f) of Maharashtra Water Resources Regulatory Act, 2005 entrust special powers with MWRRA for removal of

backlog as per Governor's directives, the Governor directs that the Maharashtra Water Resources Regulatory Authority should undertake the exercise of examining the data regarding storage creation and project completion provided by Maharashtra Krishna Valley Development Corporation in their Annual Reports and submit its findings preferably within three months. The Maharashtra Water Resources Regulatory Authority should further indicate the exact quantum of storage already achieved and yet to be achieved in Krishna river basin and also specify the projects and the funds required for the same. After receipt of the report from the Maharashtra Water Resources Regulatory Authority, a decision regarding providing additional funds for creation of the storage confirmed by Maharashtra Water Resources Regulatory Authority can be taken under Rule 7(5)(vii).

7.7 Meanwhile an arrangement for achieving the target of the undisputed quantum of storage creation i.e. 17 TMC can be contemplated. By an approximate estimation and in view of the total cost of storage creation of 52 TMC water as communicated by the Water Resources Department, the amount required for storage creation of 17 TMC water in Krishna river basin comes to about Rs.530 crore. After taking into account the Maharashtra Krishna Valley Development Corporation's share in the outlay for the Rest of Maharashtra region as specified in column 6 of Annexure VI of the Directives, the remaining amount required for storage creation of 17 TMC water during FY 2008-09 can be additionally provided.

7.8 However, the Governor is of the opinion that the concern for implementation of the Inter-State Awards should not be restricted only to one river basin. Though there is an urgency in respect of Krishna basin, other river basins cannot be ignored. Hence, while the projects for impounding balance water in Krishna river basin deserve to be put on fast track, projects in other river basins covered by Inter-State Awards and bilateral agreements deserve at least a brisk pace of implementation. There are three major inter-state rivers in Maharashtra, i.e.

Krishna, Godavari and Tapi. The former two are governed by Inter-State Awards while the latter is covered by a bilateral agreement. The details of the status of Maharashtra's share in the water of these three river basins, the quantum of water stored till now and the one which is yet to be stored are given in Annexure VIII. It is observed that in Godavari river basin, out of the total water available for the state, storage of 202.85 TMC of water is yet to be planned for. Apart from this, projects for storage creation of 176.37 TMC water are still under progress out of which projects of 71.22 TMC water are in Marathwada with Godavari Marathwada Irrigation Development Corporation and those of 105.15 TMC water are in Vidarbha with Vidarbha Irrigation Development Corporation. Similarly in Tapi river basin projects for storage creation of 85.65 TMC water are under progress in which the projects for storage creation of 60.95 TMC water are with Tapi Irrigation Development Corporation and the remaining projects are with Vidarbha Irrigation Development Corporation and Godavari Marathwada Irrigation Development Corporation.

7.9 The Governor is of the opinion that in order to protect the interests of the state in respect of the implementation of Inter-State Awards, certain arrangement needs to be made under the provisions of Rule 7(5) (vii) for providing requisite funds for storage creations in the river basins of Krishna, Godavari and Tapi. Since the requirement of funds in Krishna basin is to the extent of storage creation of the undisputed quantum of 17 TMC water during FY 2008-09, the funds to be made available to the other two river basins should be commensurate to the same.

7.10 It is further observed by the Governor that in the aforesaid arrangement there is no room for consideration of river basins in Konkan since the west flowing rivers in this sub-region are not covered by any Inter-State Award. The Governor is of the opinion that while most of the areas of the state are benefited by the resources made available under the provisions of Rule 7(5) (vii) Konkan should not be left out. Besides the storage and utilisation of water out of the total water

available in the river basins of Konkan is extremely low as communicated by the Water Resources Department by its letter dated 29th February 2008. The Governor therefore intends to provide resources to irrigation projects in Konkan under the provisions of Rule 7(5) (ix) wherein due consideration has to be given to any other item of expenditure which may be deemed fit as requirement of the state as a whole by the Governor. In view of the above discussion, the Governor desires to provide additional resources to fulfil the requirements of implementing the Inter-State Awards and of irrigation projects in Konkan.

7.11 However, such additional resources are to be provided by keeping intact the minimum outlay of Rs.4021.98 crore for irrigation recommended by the Governor and its region-wise distribution specified in Annexure VI. This has been worked out as already explained in para 4.3. **The Governor directs that in order to fulfil the requirement of the provisions of Rule 7(5) (vii) and Rule 7(5) (ix) of the Development Board Rules, 1994 in respect of the river basins of Krishna, Godavari and Tapi as well the river basins in Konkan, the State Government should provide Rs.1000 crore in addition to the minimum outlay of Rs.4021.98 crore recommended by the Governor and it is to be distributed among the various river basins and respective Irrigation Corporations in the following manner:-**

Sr. No.	River Basin	Irrigation Corporation	Additional Outlay
1	Krishna River Basin	MKVDC	Rs. 375 crore
2	Godavari River Basin	VIDC & GMIDC	Rs. 375 crore
3	Tapi River Basin	TIDC	Rs. 150 crore
4	River Basins in Konkan	KIDC	Rs. 100 crore
	Total		Rs. 1000 crore

7.12 The Governor further directs that the additional resources so provided are to be utilised by strictly adhering to following conditions :-

- (1) The additional outlay is to be utilised only for storage creation in the river basins of Krishna, Godavari Tapi as well as in Konkan. The list of such projects duly approved by the State Cabinet should be furnished to the Governor. The State Cabinet should prioritize the projects in such a manner that the interests of the state vis-à-vis safeguarding its position before the Tribunal are protected.
- (2) A committee should be set up under the chairmanship of the Additional Chief Secretary, Planning Department with Principal Secretary, Finance and Secretary, Water Resources as members to monitor the implementation of programme taken up under the additional funding of Rs. 1000 crore.
- (3) The committee should monitor the implementation of the projects to be taken up under this programme in all the river basins as approved by the State Cabinet. The government should devise appropriate checks and balances to enable the committee to ensure that the funds are spent on targeted projects only and the desired storage creation is achieved at the end of the year. The committee should send periodic reports in this regard for information of the Governor.
- (4) The additional outlay so given for FY 2008-09 for the purpose of strengthening the interests of the state before Inter-State Tribunals is restricted to Rs. 1000 crore only. Any additional outlay given further shall be distributed among the three regions as per the formula specified in Annexure-V.

- (5) The aforesaid arrangement will be in place for FY 2008-09 and will be duly modified in the subsequent year after receipt of the report from the Maharashtra Water Resources Regulatory Authority in respect of implementation of projects in Krishna basin.
- (6) The State Government should ensure that the MKVDC now gets into a mission mode to secure state's interests by focusing on storage creation.

8. Allocation for Irrigation Sector in the Annual Plan 2008-09 :

In the background of what has been stated and to ensure that no further backlog is created while the existing backlog is being liquidated, His Excellency the Governor has directed that the Annual Plan outlays in the Annual Plan 2008-09 for Irrigation Sector should be made in the following manner:-

8.1 As in the past there shall be no distinction between backlog and non-backlog allocations in the Irrigation Sector. The divisible outlay in the overall allocation in the Irrigation sector as a whole, which includes both the budgetable and non-budgetable outlay should be distributed on the basis of weighted average as specified in Annexure V, which have been worked out on the basis of the following weightages :

- (1) Backlog (as on 1 April 2007) - 45%,
- (2) Population (excluding Greater Mumbai) -20%,
- (3) Net sown area-20%; and
- (4) On-going projects (as on 1 April 2004) - 15%.

8.2 However, the distortions in expenditure in FY 2004-05 and FY 2005-06 as specified in Annexure-IV and Annexure-IV-A should be made good as explained in Annexure-VI. Therefore the actual region-wise allocation of Rs. 4021.98 crore in FY 2008-09 in the Irrigation sector is as follows :

Vidarbha	--	Rs.2478.25 crore
Marathwada	--	Rs. 885.18 crore
Rest of Maharashtra	--	Rs. 658.55 crore

8.3 In addition to the allocation of Rs.4021.98 crore an outlay of Rs.1000 crore should be provided for storage creation in respect of inter-state rivers as well as rivers in Konkan as specified in Para 7.11.

8.4 Further, should the State Government, resort to market borrowings, outside the budget, for the irrigation sector, money so raised should be for the State Government as a whole and distributed amongst the three Development Boards equitably as indicated above.

8.5 After deducting allocation for the Irrigation Sector and funds for removal of backlog in other backlog sectors, the divisible portion of the remaining Plan outlays should be distributed amongst the three regions in proportion to the overall population of the respective regions.

8.6 There shall be no diversion of funds from backlog districts to non-backlog districts and from the area of one Development Board to another without prior approval of the Governor.

8.7 The allocation indicated in these Directives are on the basis of what has been indicated by the State Government. Should over all allocation for irrigation increases subsequently, the same formula specified at Annexure-V shall be applicable to such additional plan allocations.

8.8 The disbursement of outlay in the Irrigation sector in the Annual Plan 2008-09 should be strictly in accordance with the region-wise percentages stipulated at Annexure-V in the directives.

8.9 It is also noticed that in absence of work-wise allocation at the time of budget sanctioning and the subsequent delays in doing so, the expenditure is not incurred in desired proportion and manner. Therefore in order to ensure effective utilization of funds and timely completion of projects, the Governor has directed that, the allocation for Irrigation sector should be budgeted work-wise at the beginning of the financial year itself and it should be made part of the budget documents.

8.10 As per the provisions of Section 11 (f) and Section 21 (1) & (2) of Maharashtra Water Resources Regulatory Authority Act, 2005, the Maharashtra Water Resources Regulatory Authority has been entrusted with the responsibility of monitoring the implementation of the Governor's directives. In consonance with the aforesaid provisions of the Maharashtra Water Resources Regulatory Authority Act, 2005, MWRRA should take a periodic review of the implementation of the Directives and the Governor has directed that the State Government should set up a mechanism to enable the MWRRA to do so and submit a quarterly report for information of the Governor.

8.11 Governance Issues :

In the Directives dated 1 March 2007, the Governor of Maharashtra had expressed his anxiety over issues of governance in backward areas and desired that the issues such as delegation of powers, adequacy of staff, flow of funds and logistic support and other issues of governance be addressed on top priority. The issues of governance wield more importance in view of the fact that the backlog, which is to be liquidated in next two years is largely concentrated in five districts of Amravati Division where there is an obvious mismatch between the projects in hand and the projects actually required for the removal of backlog. The process of timely completion of on-going projects and starting up of new projects is not going to be easy unless the governance issues such as providing adequate staff, expediting land acquisition and rehabilitation process and setting up an effective

monitoring mechanism are sincerely addressed on an urgent basis. Therefore, the Governor reiterates his concern and expectations in this regard as expressed in para 6.9 of the Directives dated 1 March 2007.

By order and in the name of the Governor of Maharashtra,

Raj Bhavan, Mumbai.
Date : 6 March, 2008.

sd/-
(Sitaram Kunte)
Secretary to the Governor.