

## **Agricultural Inputs**

### *Irrigation*

8.25 A large number of river valley projects, both multi-purpose and for irrigation, have spilled over from plan to plan, mainly because of financial constraints being faced by the State Governments. There were 171 major, 259 medium and 72 extension, renovation and modernization (ERM) on-going irrigation projects in the country at various stages of construction at the end of the VIII Plan with spillover cost of Rs. 75,690 crore. Consolidation of the benefits of the sunk investments in these projects requires their timely completion through prioritization and vigorous resource allocations.

8.26 Government launched the Accelerated Irrigation Benefit Programme (AIBP) during 1996-97 for accelerating implementation of ongoing irrigation/multi-purpose projects on which substantial progress has been made and which were beyond the resource capability of the State Governments or at advanced stages of construction and could yield irrigation benefits in the next four agricultural seasons.

8.27 The central loan assistance (CLA) under AIBP is being provided in the ratio (Centre:State) of 2:1 to general category States and in the ratio of 3:1 to special category States and Koraput, Bolangir and Kalahandi (KBK) districts of Orissa. The 'reforming States' characterised as the ones, which agree to revise their water rates to cover operation and maintenance costs in the next five years under general category, get CLA in the ratio of 4:1 and under special category in the ratio of 1:0. A grant component in the programme, to be released together with loan component, was introduced from 2004-05. The grant component for projects both under fast track (which can be completed in 2 financial years) and normal programmes is 30 per cent for general category States and 90 per cent for special category States. However, effective from April 1, 2005, only the grant component of the Central Assistance (CA) would be released by the Central

Government, while the loan component of CA is to be raised by the State Governments through market borrowing. In cases of fiscally weak states, Central Government could also help raise the loan component.

8.28 During 2005-06 till end-November, against a Budget provision of Rs. 4,500 crore, Rs. 565 crore has been released as grant. Rs. 18,103 crore has so far been released as CLA/grant under this programme for 189 major/medium irrigation projects and 4,472 minor irrigation schemes. Out of these 189 projects, 45 major/medium irrigation projects have been completed under AIBP till end-November. An additional irrigation potential of 3.25 million hectare has been created through major/medium projects. Under minor irrigation, 3,179 schemes have been completed and 121.15 thousand hectare potential created up to November 2005.

8.29 The Centrally-sponsored Command Area Development (CAD) Programme currently known as Command Area Development and Water Management (CAD&WM) programme was launched in 1974-75 with the objective of bridging the gap between irrigation potential created and that utilized through efficient utilization of created irrigation potential and optimizing agricultural production from irrigated lands on a sustainable basis. The programme, with a multidisciplinary team under an Area Development Authority, envisaged integration of all activities relating to irrigated agriculture in a coordinated manner. Initially, 60 major and medium irrigation projects were taken up under the CAD Programme, covering a Culturable Command Area (CCA) of about 15 million hectare. Between 1974-75 until end-November 2005, 310 projects with a CCA of 28.85 million hectare have been included under the programme.

8.30 Under a massive scheme for repair, renovation and restoration of water bodies directly linked to agriculture launched by the Union Finance Minister in the Budget Speech of 2004-05, it is proposed to restore water bodies throughout India to their original glory resulting in a significant enhancement of their storage capacity. For this purpose, a pilot

scheme to be implemented during the remaining period of the Tenth Plan was approved by Government in January 2005 with an estimated cost of Rs. 300 crore. It is a State Sector Scheme, with a proposed funding pattern of Centre:State of 75:25. Ministry of Water Resources has approved pilot projects in 23 districts of 13 States — Andhra Pradesh, Chattisgarh, Gujarat, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Orissa, Rajasthan, Tamil Nadu, and West Bengal—at an estimated cost of Rs. 262.91 crore till end-December 2005. Central share of Rs. 82.88 crore has been released to the States till end-December. For the balance of Rs. 37 crore more projects will be approved.

8.31 Irrigation is one of the six components for development of rural infrastructure under 'Bharat Nirman'. The irrigation component of 'Bharat Nirman' aims at creation of irrigation potential of 10 million hectare in the four years from 2005-06 to 2008-09. Keeping in view the present status, the target for creation of irrigation potential under 'Bharat Nirman' has been proposed to be met largely through completion of on going major and medium irrigation projects. Due emphasis has also been given to enhancing the utilization of completed projects/schemes. Development of new projects of minor irrigation to cater to the requirement of specific areas, particularly to provide benefit to small and marginal farmers and dalits and tribals, has also been included in Bharat Nirman.