

Jal Shakti Ministry wants Rs 2.79 lakh crore more for flagship water scheme, panel clears half

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Expenditure Secretary-chaired panel says gap in funding, estimated at over Rs 1.25 lakh cr, should be borne by states.

Sharply higher costs amid concerns that some states may have approved inflated work contracts to provide tap water connections to rural households under the Jal Jeevan Mission have led an Expenditure Secretary-led panel to propose a 46 per cent cut in the Centre's funding assistance to the Jal Shakti Ministry's demand for four years ending December 2028.

The onus to bridge this liability — estimated to be over Rs 1.25 lakh crore over the four years — may fall on states, which may then approach the Union government, said officials closely involved in the discussions. “As many as 16 states are ruled by [BJP](#) and its allies and this may force the Centre's hand,” said an official, who did not wish to be named.

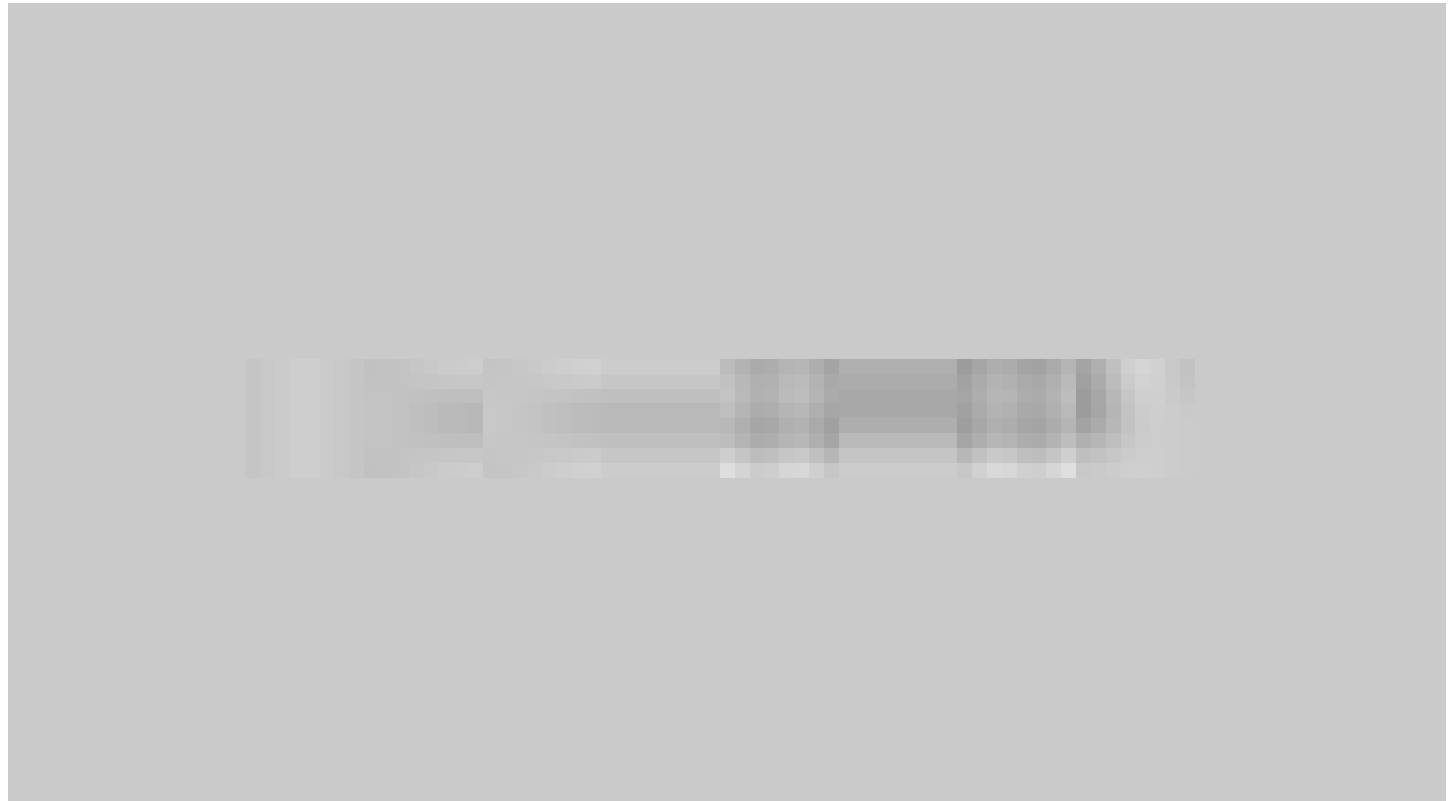
The Jal Jeevan Mission, launched by Prime Minister [Narendra Modi](#) on August 15, 2019, aimed to provide tap connections to about 16 crore rural households to achieve saturation coverage by December end 2024. But only 75 per cent of the target could be achieved over five years, and the remaining 4 crore tap connections are now proposed to be installed by extending the mission by four years till December 31, 2028.

While the Jal Shakti Ministry demanded Rs 2.79 lakh crore Central funds to complete the project, the Expenditure Secretary-chaired Expenditure Finance Committee (EFC), which appraises projects valued over Rs 500 crore, met March 13 and recommended only Rs 1.51 lakh crore, [The Indian Express](#) has learnt. The EFC also reduced the mission's overall outlay by Rs 41,000 crore to Rs 8.69 lakh crore, against Rs 9.10 lakh crore sought by the Jal Shakti Ministry.

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In 2019 when the 'Har Ghar Jal' programme was launched, the EFC had fixed the Jal Jeevan Mission's outlay at Rs 3.6 lakh crore against the Jal Shakti Ministry's demand of Rs 7.89 lakh crore. Information available on the mission dashboard, however, shows states approved schemes worth Rs 8.07 lakh crore during the five years (2019-2024).

This sharp escalation in costs probably led the EFC to curtail the outlay and reduce the Central share to the mission. Sources said the Jal Shakti Ministry justified the proposed cost of Rs 8.07 lakh crore for the approved scheme (which includes Rs 7.68 lakh crore of works awarded and Rs 38,940 crore of works at award stage) during the EFC meeting.



Total number of tap connections in India as on August 15, 2019

They said works worth Rs 32,364 crore in Maharashtra and poll-bound Bihar, [Tamil Nadu](#) and Assam were still pending for approval by the State-Level Scheme Sanctioning Committees. “The Central share of Rs 17,348 crore may have to be funded by the states themselves,” the source said.

In the ‘Har Ghar Jal’ scheme, the Centre and state share funds in the 50:50 ratio.

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“These were approved after the mission period, hence not recommended by the EFC,” said a source who had seen the minutes of the March 13 EFC meeting. The cut in Central funds for the mission may also have implications to the tune of Rs 50,000 crore for three states—Uttar Pradesh, Rajasthan and Madhya Pradesh, the source quoted above said.

When contacted, a senior government official told The Indian Express, “EFC only appraises the project; the concerned Ministry can still request for higher outlays and Central funds and the Union Cabinet can take a view different from the EFC.”

For calculating the Centre’s share for installing 19.36 crore tap connections under the mission, adds up to Rs 3.59 lakh crore (the cost per connection taken as Rs 47,000 as per the 2019

guidelines). During 2019-24, the Centre paid Rs 2.08 lakh crore, so the EFC has now recommended the balance Rs 1.51 lakh crore.

The March 13 EFC meeting was attended by officials from the ministries of Finance, Jal Shakti, Education, Health and Family Welfare, Tribal Affairs, Cooperation, Women and Child Development, Skill Development and Entrepreneurship, the Department of Promotion of Industry and Internal Trade, and NITI Aayog.



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