

AGREEMENT REGARDING THEIN DAM AND POWER PIANT +SCHEME BETWEEN PUNJAB
AND JAMMU & KASHMIR

This agreement is made at Delhi on twentieth day of January, 1979 (one thousand nine hundred and seventy nine) between the Governor of Punjab (hereinafter called the Punjab Government which expression shall include his successors and assignees) of the first part and the Governor of Jammu and Kashmir (hereinafter called the Jammu & Kashmir Government which expression shall include his successors and assignees) of the second part.

Whereas the Punjab Government prepared a scheme for storage of water and Hydro Power Generation (hereinafter called the Thein Dam Project) on the River Ravi near village Thein which village is situated in the territory of Jammu & Kashmir State (32° 26' 30" Latitude 75° 43' 38" Longitude); and

Whereas, the site for the Thein Dam Project is so located that both the States of Punjab and Jammu & Kashmir can take advantage of the water resources available from River Ravi for irrigation and Power generation; and

Whereas, the Thein Dam Project is multipurpose scheme for irrigation and generation hydro electric power on large scale and located nearly 15 miles upstream of Madhopur headworks, the left flank of the Dam to lie in the Punjab and the right flank in the State of Jammu & Kashmir; and

Whereas, in accordance with the decision taken in the "Inter-State Conference on the development and utilisation of waters of the rivers Ravi and Beas" held on 29.1.1955 under the aegis of Government of India, the Jammu & Kashmir Government is entitled to a fixed quantum of 0.65 MAF per annum of the supplies both flow and storage irrespective of any variation in rivers' flow from the aforesaid rivers Ravi and Beas in addition to the actual pre-partition utilisation of Ravi River Waters; and

Whereas, the entire allocated quantum of water to the State of Jammu & Kashmir in terms of this agreement is to be provided from the River Ravi alone; and

Whereas, the parties to the agreement with a view to preventing the existing wastage of the water from River Ravi below Madhopur headworks, are desirous of early completion of the Thein Dam Project; and

Whereas, the parties to the agreement have jointly surveyed the area required for the Thein Dam Project including that which would be submerged by the reservoir below R.L. 530.96 Mt. (1742.0 feet); and

Whereas, the villages, families, persons, houses, shops and cultivated and un-cultivated areas, etc, likely to be affected by the construction of the Thein Dam Project as already accepted are to be duly compensated and rehabilitated with a view to better their prospects.

Now, therefore, this deed witnesseth and the parties, hereto, hereby mutually, agree as follows:-

1. The parties to this agreement shall be joint partners in the Thein Dam Project. The Jammu & Kashmir Government shall, however, make investment

only in the irrigation portion of the project in accordance with its share in the water from storage; i.e. 10 per cent of the total cost of the project, attributable to irrigation portion thereof.

2. All lands required at any time for the Thein Dam Project situated in the territories of the respective states shall be acquired at the cost of the Project in accordance with the relevant laws in force in the concerned States. The title to the land acquired for the project in the State of Jammu & Kashmir shall, however, vest in the Jammu & Kashmir Government who shall make available the lands so acquired to the Thein Dam Project on lease in accordance with the rules in force in the State. The compensation paid shall be deemed the premium for the lease and any other charges payable to the Jammu and Kashmir Government for the entire period which shall be renewed as and when required during the life time of the Project.

3. The persons affected by the dam area and other areas acquired for the Project shall in addition to the payment of compensation due under the laws of the States concerned, be rehabilitated on lands or alternate avocations so as to better their future prospects. To achieve the aforesaid subject, a joint Committee of officers of two State Governments headed by the Chief Secretaries shall be constituted to draw up a suitable rehabilitation scheme keeping in view the experience gained in the rehabilitation of Pong Dam ousters in Himachal Pradesh. The entire cost of compensation payable under law and the cost of rehabilitation shall be debited to the Thein Dam Project.

4. The Jammu & Kashmir Government shall receive a fixed share of 0.65 MAF of the supplies, both flow and storage, irrespective of any variation in flow from the rivers Ravi and Beas, in addition to its actual pre-partition 0.04 MAF utilisation of Ravi River Waters.

5. The Jammu & Kashmir Government will specify 10 daily pattern of its irrigation requirements during the Kharif and Rabi seasons to utilise its total share in flow and storage supplies throughout, on 10-daily pattern from River Ravi in the Post-Thein Dam Project Stage. Till such time as the aforesaid Project is constructed and commissioned, the J & K Government will continue to get actual pre-partition, and its prorata share of free flow from Ravi which is 0.46 MAF in a mean year. After construction of Thein Dam Project is completed the Punjab Government shall regulate and release supplies so as to ensure utilisation by the Jammu & Kashmir Government of its fixed allocation of 0.65 MAF of the supplies according to its aforesaid 10 daily pattern. The utilisation 0.65 MAF shall be in addition to its actual pre-partition utilisation.

6. The J & K Government shall take off Ravi Canal from Shahpurkandi barrage and contribute towards cost of the aforesaid barrage, an amount equal to the difference in costs of taking off Ravi Canal from below Thein Dam and that required for taking off the same from Shahpurkandi barrage. A mutually agreed estimate of the cost based on rates prevalent in 1979-80 would be drawn up by the two State Governments and in case of any differences arising, the estimates would be got wetted by the Central Water Commission whose decision shall be conclusive, final and binding on the parties.

The construction of the Shahpurkhandi barrage shall start at the first technically feasible opportunity and every effort shall be made to ensure its completion as early as possible so that water supply to Ravi Canal under construction by J & K Government constructs at the earliest.

7. The Jammu & Kashmir Government shall get a share of 20 percent in the total power generated at the Thein Dam and Shahpurkhandi barrage at cost of generation at Busbars; provided that if the Jammu & Kashmir Government is unable to utilise the aforesaid share of power within its territory or is otherwise desirous of selling the same, the surplus power shall be sold to the Punjab Government at a mutually agreed rate. A separate agreement shall be drawn up for such sale of un-utilised power by the J & K Government with the Punjab Government which shall provide for a periodic review of the selling rate. In case, however, the Punjab Government at any time is not desirous to purchase the said surplus power in whole or in part, then the J & K Government shall be at liberty to sell such power elsewhere.
8. In respect of benefits other than irrigation and power from the Thein Dam and Shahpur Kandhi barrage reservoirs the Government of Jammu & Kashmir and Punjab shall share these benefits in proportion to the areas of submergence in their respective territories. Further the rights for development of fisheries and navigation in the reservoirs created by the Thein Dam and Shahpur Khandi barrage shall be accruable to the parties in proportion to the areas of sub-mergence as aforesaid.
9. 15 percent of the entire personnel required both for irrigation and power side for the construction and operation of Thein Dam Project in all categories shall be taken from J&K State Cadres, subject to actual availability.
10. The construction and management of the Thein Dam Project shall be the responsibility of the Punjab Government. The J & K shall be given representation on the Advisory Board/Committee or any other policy making Board/Committee both on the Irrigation side as well as Power side, which may be constituted for the construction of Thein Dam.
11. Any road or portion thereof which gets sub-merged by Thein Dam Reservoir shall be re-aligned and constructed at the cost of the Thein Dam Project. The agency for construction of such roads or part thereof shall be the Public Works Department of the concerned State Government. The specifications for such roads shall, however, be approved by the Thein Dam Project Authority.
12. With a view to providing immediate employment opportunities to the displaced persons from the Thein Dam Project, the authority charged with the construction of the said project at various levels shall give preference in matters of employment to such persons.
13. For the material extracted from within the territory of Jammu & Kashmir and meant for utilisation on Thein Dam Project, a sum of Rs.1 lakh per annum shall be paid by the Project authorities for the entire period of construction to the Jammu & Kashmir Government. No taxes, fees, cases, etc. shall be charged on this account by the Government of Jammu & Kashmir.
14. The J & K Government shall not levy or charge or concur in the levy or charge of any taxes, octroi or duty on the materials, machinery or equipment passing through its territory for the purposes of the construction of the Project including the hydro electric part thereof during the period of construction.

15. The parties to the agreement shall ensure that all facilities required for efficient and economic planning, design, construction and management of the Thein Dam Project including the carrying out of surveys, inspection and erection of communication and power lines and installation of plant and equipment are made available by them as and when required.

16. That if any doubt, dispute, question or difference shall at any time arise touching and concerning of the construction, effect, meaning, of these presents or any matter hereinafter contained or their respective rights and liabilities hereunder than every such dispute, doubt, question or difference shall be referred to two Arbitrators are each to be nominated by each of the two State Governments. The arbitrators so nominated shall, if they so desire nominate an Umpire. The decision of the Arbitrators/ Umpire shall be final, conclusive and binding upon the parties.

17. The expense for stamping and completion of this agreement shall be borne by the Government of Punjab.

In witness whereof the parties hereto hereby put their signature upto this deed in token of the acceptance of the terms and conditions hereof on the dates respectively shown against each.

Signed for and on behalf
of the Governor of Punjab

Sd/-
(PARKASH SINGH BADAL)
Chief Minister, Punjab
20.1.1979

Signed for and on behalf of
the Governor of Jammu &
Kashmir

Sd/-
(S.M. ABDULLAH)
Chief Minister, J & K
20.1.1979

Witness

Sd/-
(K.D. VASUDEVA)
Commissioner & Secretary
Irrigation & Power Deptts.,
Punjab
20.1.1979

Sd/-
(M.S. GILL)
Principal Secretary to
the Chief Minister,
Punjab
20.1.1979

Sd/-
(S. NARBOO)
Minister for Works, Power &
Ladakh Affairs, J & K
20.1.1979

Sd/-
(D.D. THAKUR)
Minister for Finance
Jammu & Kashmir
20.1.1979

ATTESTED

Sd/-
DIRECTOR, DESIGN
THEIN DAM, CHANDIGARH