



Presentation
On Report of Judicial Commission on inquiry of
Three Barrages of Kaleshwaram Project

04.08.2025

Chronology of events – Medigadda Disaster

Date	Description
26 th August 2016	Concluding agreement of Medigadda Barrage
21 st June 2019	Inauguration of the Kaleshwaram Project
21 st October, 2023	one of the pillars of Medigadda Barrage i.e., Pillar No. 20, in Block-7 of the barrage was sunk
25 th October, 2023	NDSA Team and ENC (O&M) examined the status of the sinking pillar and carried out an Appraisal meeting with Executing Agency (L&T)
01 st November, 2023	The NDSA has communicated the reasons for the sinking of the piers of Medigadda Barrage
30 th November 2023	Telangana Assembly General Elections
13 th February 2024	The Govt.,has requested the Chairman, NDSA to arrange for a thorough inspection and study of the designs and construction of the three barrages
02 nd March, 2024	NDSA constituted a Committee for inspection and study of the design and and construction of three barrages
07 th March, 2024 & 08 th March 2024	Committee visited all three barrages
14 th March, 2024	Govt has appointed Just Sri Pinaki Chandra Ghose, Former Judge of Supreme Court of India to conduct Judicial Inquiry on certain allegations of irregularities and embezzlement of public funds
31 st July 2025	Commission submitted report to the Government



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1. Commission Appointment

- Appointed by Telangana Government vide G O Ms No 6, dt. 14.3.2024
- Justice Pinaki Chandra Ghose – Former SC Judge and Lokpal Chairman
- Commission of Inquiry Act, 1952
- Judicial Inquiry Allegations
 - Irregularities
 - Embezzlement of Public Funds
 - Corrupt Practices
- Barrages under Inquiry
 - Medigadda
 - Sundilla
 - Annaram

Terms of Reference (TOR) for inquiry

1. To enquire into the **negligence, irregularities** and **lacunae in Planning, Designing and Construction** of Medigadda, Annaram and Sundilla Barrages.
2. To enquire into the **manner of award** and **execution of Contract** including but not limited to deviations in the contract and following of the strict financial discipline in the execution of such Contract.
3. To enquire into the negligence and lacunae in **Operation & Maintenance** of three barrages by the agencies concerned and the Department, thereby leading to major damage to the structure.
4. To enquire into the **Quality Control & Monitoring** aspects, negligence and other **malpractices** by the agencies/ contractors and the Department
5. To enquire, identify and **fix up responsibilities** for any authority/ **official** who extended undue favours to the Agencies/ contractors in terms of allowing **unjustified EOTs** (extension of time), wrong **Completion of Work certificates**, premature releasing of Bank Guarantees, and such other matter.
6. The Commission shall **fix responsibilities for the lapses** identified by it during its enquiry into the above matters and **financial implications** on the lapses identified.
7. Any **other matter** that might be referred by the Government at a later date.

- The Commission of Inquiry taken charge on 13.4.2024.
- The Commission of inquiry has issued a public notice in the prescribed form on 27.04.2024 and published the same in the leading national and regional newspapers inviting representations/ allegations or grievance with evidence in the form of notarized sworn-in affidavit in a sealed envelope/Drop Box (till 31st May 2024).
- Pursuant to such Public Notice, Affidavits have been filed by nearly 110 members including the officials & general public.
- Total witness examined is 119 including the then Chief Minister Sri. K.Chandrasekhar Rao, the then Irrigation Minister Sri. T. Harish Rao and the then Finance Minister Sri. Etela Rajendar.

Investigation Process

- **Records Collection**

- NDSA Report
- CAG Report
- Vigilance and Enforcement Department
- I & CAD – Expert Committee Reports
- Cabinet Resolution
- Other Documents submitted by the Government

- **Site Visits**

- Medigadda Barrage – 7.5.2024
- Annaram – 7.6.2024
- Sundialla Barrage – 8.6.2024

- **Meetings and Discussions**

- Expert Committee Members
- Engineers
- Agencies - M/s Afcons Vijeta PES JV,
Navayuga Engineering Company Ltd-
M/s GMW Pvt Ltd (JV) Engg.Company Ltd (JV).
L&T-PES JV Constructions
- Minsters – Former CM, Irrigation and Finance Ministers
- Former Adviser MoJS-Sri. Vedire Sriram
- CDO,TGERL , QC and related Engineers

- The Commission has conducted its enquiry and **submitted its Inquiry Report on 31st July 2025 to the Government.**
- Govt., vide Memo No.78/Cabinet/A2/2025, Dated:01.08.2025 constituted a **Committee of Officers** comprising of the following officers to study the Commission's report and to submit to the Council of Ministers duly following the Telangana Government Business Rules:
 - i. Principal Secretary to Govt., Irrigation & CAD Department
 - ii. Principal Secretary to Govt., (Poll), General Administration Department
 - iii. Secretary to Government, Law Department.
- The officers Committee has **submitted the following summary of findings** in Commissions report for the Perusal of Council of Ministers.

Critical Findings of the Commission in the Report of Political Executive with respect to responsibilities for the lapses.

i. The then Chief Minister (Sri K.Chandrasekhar Rao):

- a. Held "directly and also vicariously accountable for the irregularities and the illegalities in planning, construction, completion, operation and maintenance of the three barrages." His "involvement and directions minutely... is the cause and result of irregularities and the cause of distress to these three barrages."
- b. "It can be categorically held that there is rank irregularity from the stage of conceptualization of Kaleshwaram project till the issuance of Administrative approvals on 1.3.2016 for construction of the three barrages. **This is not the decision of the Government but of individuals.**"
- c. "The then **Chief Minister is pre-determined and bent upon to construct barrage at Medigadda at his free choice** and the authorities associated with the decision making facilitated them."

- d. “the reason that there is not availability of water at Tummadihetti , the construction of barrage is shifted from Tummidihetti to Medigadda **does not appear to be sincere and honest.**
- e. “ Letter from Ms. Uma Bharti, the then MoWR, dated **13.3.2015** has stated that “ **Hydrology of the PCSS project was cleared on 24.10.2014.** However project authorities vide their letter dated 24.11.2014 have submitted the modified hydrological series for approval...” **Minister for Irrigation made an endorsement on the said letter on 20.3.2015.**
- f. **When the CWC cleared Hydrology of Dr BRAPCSS project as back as on 24.10.2014, the reason for the project authorities to submit modified hydrological series for approval of the CWC is not forthcoming ”**

g. **“ The alleged non-availability of water at Tummidihetti is not the correct and genuine reason. “** The letter dated 4.3.2015 (CWC letter on Tummidihetti) is also to be considered vis-à-vis the letter dated 28.2.2017 (CWC letter on Kaleshwaram) . **The observations of the CWC on hydrology of both the projects are similar. “** If basing upon the observations of the CWC in its letter dated 4.3.2015, the barrage at Tummidihetti could not be taken up, the same reason holds good for construction of barrage at Medigadda also”

h. **The decision of construction of barrage at Medigadda and also at Annaram and Sundilla is solely of the then Chief Minister”**

i. **On Retired Engineers committee constituted by Government**

“ ...the expert committee had extensively studied the merits and demerits of the barrage being constructed at Tummidihetti and at Medigadda and **concluded that the construction of barrage at Medigadda is not advisable** and also not economical. On the other hand, the Expert committee recommended to construct barrage at Vemanapally on Pranahita river instead of at Medigadda”

- j. “ It is abundantly clear that the Government has not considered the report of the expert committee constituted under G.O No. 28, dated 21.1.2015”
- k. “ The omission is to consider the report of the Expert committee cannot be inadvertent or accidental also for the reason of the power point presentation made by the then CM on 31.3.2016 to the assembly He stated that the Government has engaged the services of the retired CEs who are experts in irrigation.....”
- l. Sri T.Harish Rao has not denied in his evidence the submission of the report by the Expert committee on 7.4.2015 to the Government . He has also not stated whether the Government has considered the said report or not...”.
- m. “ Therefore, the Government and Sri.K.Chandrasekhar Rao as the then CM and Sri. T.Harish Rao, as the then Minister for Irrigation intentionally have not considered the report of the Expert committee”
- “There is no Pranahita, Chevella”, I am making this clear. ... We should see the availability of water. I have clearly projected that there is availability of water at Medigadda. There is 500 TMC of water more compared to Tummididi Hetti.**
- n. “It should be held that **Sri.S.K. Joshi , Sri.C. Muralidhar and Sri. B.Hari Ram, suppressed the report of the expert committee with malicious intention to enable the then Minister for Irrigation and the then Chief Minister to go ahead with their intention to construct barrage at Medigadda . Thus by suppressing this report, they facilitated to construct barrage at Medigadda and they indulged in this malicious act at the cost of huge public money and putting the economy of the State at stake” .**

The Commission has noted on suppression of the report of the Expert Committee that “ The action to be taken shall be severe for the reason that had this report not been suppressed, construction of Barrage at Medigadda could not have been taken up”.

o. Director, DoWR, CWC letter dated 24.3.2023 states “ The best site for locating a diversion structure is in a straight reach of the river wherein the velocity of the flow should be fairly uniform and the sectional area of the river fairly constant. However , in case of Medigadda barrage, the following views are offered:

“The width of the river contracts suddenly just downstream of the Medigadda barrage which may cause heading up of water downstream of barrage and....”

p. Administrative sanctions for the three barrages:

- “The obvious conclusion from the above facts is that the DPR submitted by the WAPCOS has not been considered and appreciated before awarding of works;”
- “ ... it is noticed during construction that there is difference between the length of the barrage and the width of the river and a new block in between block 1 and block 2 has to be planned.”

- “It can conclusively be held that the issuance of G.O Rt No.231, 232 & 233 dated 1.3.2016, according Administrative approval of Rs.2591 crores for construction of Medigadda project **is not placed before the cabinet and is issued pursuant to the orders of the Minister (Irrigation) and the Chief Minister.**”
- “**The Commission does not see any compelling urgency in taking such decisions by the Minister (Irrigation) and the Chief Minister alone and this irregularity** is more so in the light of the fact that the cabinet has not ratified the same.”
- **Decisions that unduly favoured agencies led to financial loss**
- “In the review meeting dated 9.12.2017, the Chief Minister directed to entrust the additional works not covered in the scope of agreements to the existing agencies.”
- Main components like guide bunds and flood banks treated as ‘additional works’ and given on nomination basis.

- “The Government agreed to execute coffer dam and guide bunds which were in the contractor’s scope of work, citing verbal instructions from the Chief Minister. This resulted in huge additional burden on the exchequer.”
- **works worth ₹369 crore were added in RE-1 without basis in DPR, which the Commission termed 'clinching evidence' of an intent to siphon public funds to unduly favour agency.**

r. Failure in O&M and role of the then CM

- “ ...One of the factors for failure of proper operation and maintenance and consequential failure of the barrage is on account of impounding of water. It has categorically been observed and held that **the then Chief Minister has directed the authorities to store water in the barrages to their full capacity** for the purpose of lifting of water through pump houses. **Therefore, the then Chief Minister acted against the interests of the state and have no sincere, honest and conscientious mind to protect and safeguard the three barrages constructed at huge cost of thousands of crores of public money “**

- “The Chief Minister acted not as the head of the Government but as the administrative executive himself.”

s. The Commission further held that:

“Involvement and directions of the then Chief Minister minutely towards planning, construction and operation of these three barrages is the cause and result of irregularities and distress to these three barrages”

- t. From the formation of the State of Telangana on 2.6.2014 till 1.3.2016 (the date of granting Administrative Approvals for construction of these three barrages) it is the sole decision of the then Chief Minister from the stage of conceptualization of Kaleshwaram Project, allegedly as part of re-engineering of the Dr BRA PCSS Project and to take up construction of these three barrages.
- u. The alleged non-availability of water at Tummidi Hetti is not the correct and the decision of construction of barrage at Medigadda and also at Annaram and Sundilla is solely of the then Chief Minister.

ii. On the then Minister for Irrigation (Sri T.Harish Rao):

- a. Along with the Chief Minister, "intentionally have not considered the Report of the Expert Committee."
- b. "It can be categorically held that there is rank irregularity from the stage of conceptualization of Kaleshwaram project till the issuance of Administrative approvals on 1.3.2016 for construction of the three barrages. **This is not the decision of the Government but of individuals.**"
- c. "The proposal and the decision to construct barrages at Medigadda, Annaram and Sundilla is of the then Minister for Irrigation and Chief Minister"
 1. " Letter from Ms. Uma Bharti, the then MoWR, dated 13.3.2015 has stated that "**Hydrology of the PCSS project was cleared on 24.10.2014.** However project authorities vide their letter dated 24.11.2014 have submitted the modified hydrological series for approval..." **Minister for Irrigation made an endorsement on the said letter on 20.3.2015.**

When the CWC has already cleared Hydrology of Dr BRAPCSS project as back as on 24.10.2014, the reason for the project authorities to submit modified hydrological series for approval of the CWC is not forthcoming ”

2. Retired engineers committee constituted vide GO no.28 “ ...the expert committee had extensively studied the merits and demerits of the barrage being constructed at Tummidihetti and at Medigadda and **concluded that the construction of barrage at Medigadda is not advisable and also not economical.** On the other hand, the Expert committee recommended to construct barrage at Vemanapally on Pranahita river instead of at Medigadda”

“ It is abundantly clear that the Government has not considered the report of the expert committee constituted under G.O No. 28, dated 21.1.2015”

“ The said Expert Committee stated in their Note submitted to this Commission on 25.6.2024 that they have submitted their Report titled “Barrages on Godavari and Pranahitha Rivers” on 7.4.2015 to the Minister for Irrigation, Principal Secretary, Irrigation Department, Engineer-in-Chief (Irrigation)”

- d. Sri T.Harish Rao has not denied in his evidence the submission of the report by the Expert committee on 7.4.2015 .
- e. “It should be held that Sri S.K.Joshi, Sri C.Muralidhar and Sri B.Hari Ram suppressed the Report of the Expert Committee with malicious intention to enable the then Minister for Irrigation and the then Chief Minister to go ahead with their intention to construct barrage at Medigadda. **Thus by suppressing this Report, they facilitated to construct barrage at Medigadda and they indulged in this malicious act at the cost of huge public money** and putting the economy of the State at stake.”
- f. The commission has noted on suppression of the report of the expert committee that “ The action to be taken shall be severe for the reason that had this Report not been suppressed, construction of barrage at Medigadda could not have been taken up.

g. On Administrative Sanction for barrages:

The Note File is signed by the Principal Secretary to Government (Irrigation) on 26.2.2016, the Minister for Irrigation on 26.2.2016 and also by the then Chief Minister. Since the approval of the Cabinet is not obtained, there is violation of the Business Rules of the Government.

h. “ An analysis of the above factual position would lead to one and only categorical conclusion that the conception of Kaleswaram project, the proposal of entrusting the consultancy services for preparation of DPR in respect of KP to WAPCOS and according administrative approval in that regard is the sole and individual decision of the Minister (Irrigation) and the Chief Minister”

- i. “In the present case, the shifting of location of barrage to Medigadda on the alleged ground of availability of water is the decision of the then CM. and this decision is taken suppressing the report of the expert committee under G.O 28. Right from the beginning till the stage of inauguration of the barrages by impounding water at the peril of the health of the barrages is done with the instructions of the then CM . **The then Minister for Finance and Planning remained as a tacit perpetrator and the then Minister for Irrigation allowed the then Chief Minister to fulfil his desire.** In fact, the then CM being political executive functioned as Administrative executive also in implementing the policy of the Government and the manner of planning and execution caused huge loss to the state public exchequer.
- j. “It can conclusively be held that the issuance of G.O Rt No.231, 232 dated 1.3.2016, according Administrative approval of Rs.2591 crores for construction of Medigadda project is not placed before the cabinet and is issued pursuant to the orders of the Minister (Irrigation) and the Chief Minister.”
- k. **“The Commission does not see any compelling urgency in taking such decisions by the Minister (Irrigation) and the Chief Minister alone and this irregularity is more so in the light of the fact that the cabinet has not ratified the same.”**

- l. When the Government Orders 231, 232 and 233 are not placed before the Cabinet for approval / ratification and thereby there is violation of the Business Rules of the Government, the Minister for Irrigation and the Chief Minister shall also be held liable for violation of the Business Rules of the Government. In this regard, the evidence of the then Minister for Irrigation is false and cannot be substantiate his deposition .
- m. Acted complicity, allowing CM to take over the administrative role.
- n. The then Minister for Irrigation gave **instructions at random** and Minister for Finance and Planning conducted himself apathetical towards the Finance and economical health of the state, it is the then CM who can be directly and vicariously accountable for the irregularities and the illegalities in planning, construction, completion, Operation & Maintenance of the 3 barrages .

- o. One such example that Govt has brought to the notice of the Commission the then Irrigation Minister has instructed to **adopt secant piles** in the meeting dated 09.01.2017.

iii. The then Minister for Finance (Sri Etela Rajender): Demonstrated "lack of commitment and integrity in safeguarding the financial and economic health of the newly formed State," pleading ignorance of crucial financial decisions related to the project.

CONCLUSION ON TERM OF REFERENCE:

The report systematically dissects the various stages of the Kaleshwaram Project, highlighting critical failures at each step. Gist of the conclusions is as below.

1. To enquire into the negligence, irregularities and lacunae in Planning, Designing and Construction of Medigadda, Annaram and Sundilla Barrages.:

- i. Sole Decision of the Chief Minister:** The decision to construct the barrages at Medigadda, Annaram, and Sundilla was "the sole and individual decision of the Minister (Irrigation) and the Chief Minister." There was no formal "decision of the Government" in this regard.
- ii. Suppression of Expert Reports:** An Expert Committee, constituted under G.O.Rt.No.28, dated 21.1.2015, explicitly **rejected** the proposal to construct a barrage at Medigadda due to "prohibitive cost and time consumption" and suggested alternatives like Vemanapally. It is **intentionally kept under cold storage** to carry on with the proposal to construct barrage at Medigadda and it has seen the light of the day pursuant to the directions of this Commission.

- iii. **Misleading Justification for Site Shift:** The claim of "no availability of water at Tummidu Hetti" as the reason for shifting the barrage location to Medigadda "does not appear to be sincere and honest."
- iv. **Lack of Cabinet Approval:** Initial administrative approvals for the construction of the three barrages (G.O.Rt.Nos.231, 232, and 233 on 1.3.2016) were not placed before or approved by the Cabinet, violating Government Business Rules.

Administrative Approvals issued vide G.O.Rt.Nos.231, 232 and 233 on 1.3.2016 **are not placed before the Cabinet** and the Cabinet has not either approved or ratified them at any time thereafter. They are approved by the Minister for Irrigation and the Chief Minister. Thus, there is irregularity of the Procedure envisaged under the Business Rules of the Government in granting the Administrative Approvals.

- v. **Absence of Comprehensive DPR and Parallel Work:** Works were awarded and commenced even before the Detailed Project Report (DPR) by WAPCOS was finalized or vetted by the Central Water Commission (CWC). The CWC noted that the project's cost estimate was being examined as late as May 2018, long after administrative approvals were granted in March 2016.

- vi. WAPCOS submitted its final DPR on 27.3.2016, but administrative approvals were granted on 1.3.2016.
- vii. The then Chief Minister's letter to the Prime Minister on 11.2.2016 mentioned the Kaleshwaram project cost as Rs. 71,436 crores, even before WAPCOS's final DPR submission.
- viii. **KIPCL's Failed Role:** The Kaleshwaram Irrigation Project Corporation Limited (KIPCL), established as a Special Purpose Vehicle (SPV) to "plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the project" and seek financial support, "has not played its incumbent role" beyond raising loans and issuing cheques.

2. To enquire into the manner of **award and execution of Contract including but not limited to deviations in the contract and following the strict financial discipline in the execution of such Contract.:**

- i. Lump Sum, Not Turnkey:** Despite CWC's advice for "turnkey basis" for construction and maintenance, the contracts were awarded on a "lumpsum" basis.
- i. Unjustified Revised Administrative Approvals (RAA I & II): RAA I (May 2018):** Justified by alleged "variations" due to shifted barrage locations (Annaram and Sundilla), increased length, flood banks, and design changes.
- ii.** The decision to shift Annaram and Sundilla barrage locations by the High-Power Committee on 22.10.2016 was done after contracts were concluded in July/August 2016, and "without consulting WAPCOS."

- iv. The need for flood banks was blamed on WAPCOS, despite the locations being shifted away from WAPCOS's proposed sites.
- v. These RAAs were approved by the Cabinet after their issuance, perpetuating the initial procedural irregularity.
- vi. RAA II (2021-2022):** Further increased project costs, with reasons including "increased quantities, change in specification, design and drawings, duly incorporating the additional items of work such as staff quarters, guest house... slope protection works... and including all taxes and escalation."

- vii. This RAA also **included relaxation of contract conditions**, such as allowing payment for dewatering and coffer dams, which were originally the contractor's responsibility.
- viii. The proposals for **RAA I and II** were made with "**malicious intention to unduly favour the Agencies**" and "wrongfully syphoning the amounts from public exchequer."
- ix. **WAPCOS's Role in Design:** The Chief Engineer, Central Designs Organization (CDO) claimed that L&T's design team was "involved in the designs of Medigadda Barrage every stage" and that designs were "verified by the design team of L&T with its in house software Abacus (FEM analysis) and Flow 3D." This directly contradicts the agency's claim of executing work solely based on employer-provided designs.

3. To enquire into the negligence and lacunae in Operation & Maintenance of three barrages by the agencies concerned and the Department, thereby leading to major damage to the structure

- **Absolutely no O and M activity**
- **No agreed O and M Manual**
- **Observed Damages and Defects (Post completion certificate)**
- **Agency (L & T, Afcons and Nava Yuga Responses)**
- **Continuous impounding of water (since inauguration)**
- **Barrages used as reservoirs and not as diversion structures**
- **O and M agreement lacking detailed tasks and payments**
- **Agency requests for water depletion were not considered**
- **False Completion certificates and release of bank guarantees**
- **State Dam safety organisation (SDSO) –Failure/Non performance**

3. To enquire into the negligence and lacunae in Operation & Maintenance of three barrages by the agencies concerned and the Department, thereby leading to major damage to the structure:

- i. Complete Absence of O&M:** There was "absolutely no operation and maintenance of whatsoever nature, including periodical checks/ inspections, pre and post monsoon inspections and reports, etc., of these three barrages at any time."
- ii. Continuous Impounding of Water:** The then Chief Minister directed continuous impounding of water in the barrages to their full capacity for lifting water through pump houses, even though barrages are typically "diversion structures with low head, not as storage structures." This continuous impounding was a "major cause for distress."
- iii. Lack of Manuals and Agreements:** There was "no agreed Operation and Maintenance Manual" or agreement specifying "the break-up of the items of work vis-à-vis rate of payment."
- iv. O&M Unit's Ineffectiveness:** The Engineer-in-Chief (O&M) unit, formed in January 2021, "failed absolutely" in its duty, claiming it received no information from the "dam owner."

4. To enquire into the Quality Control & Monitoring aspects, negligence and other malpractices by the agencies/contractors and the Department

- **Inadequate quality control for secant pile integrity / verticality**
- **Concrete quality Tests (Medigadda) Only 7498 samples tested vs 37,228 required by IS**
- **No information on aggregate grading compliance**
- **Plinth slab not constructed monolithically (Annaram 0.45 m observed vs 0.9 m designed)**
- **PVC water stops discontinuous (Annaram)**
- **Joints at vents instead of piers (Annaram)**
- **No compliance reports for sand densification and clay removal at foundation level**
- **Defects reported shortly after inauguration of Barrages in 2019**
- **Compaction control data not furnished**
- **Seismic checks and liquefaction reports not furnished**
- **Defects not addressed promptly**

4. To enquire into the Quality Control & Monitoring aspects, negligence and other malpractices by the agencies / contractors and the Department:

- i. Design Deficiencies:** The barrages, designed on "permeable foundations," were "utilized as storage structures," which is against standard practice.
- ii. Crucial studies like "back water studies, tail water rating curves, G-D curves and geophysical investigation were not done" at the shifted Annaram and Sundilla locations.
- iii. Designs were prepared "without proper field studies and investigations" and with "inexplicable delay."
- iv. In Medigadda, the upstream and downstream RCC cut-offs were designed as independent structures, deviating from the "suggested monolithic design as per Clause 5.2.3 of IS:11130."

- v. The "entire raft slab thickness was uniformly increased to 360 cm; resulting in about 25% increase in concrete quantity" to overcome casting difficulty, suggesting design deficiencies.
- vi. **Construction Defects:** In Medigadda, "a cavity filled with soil instead of sand" and "inferior construction of plinth slab and joint" were observed at Pier 20.
- vii. Discrepancies in concrete testing: For Medigadda, only 7,498 samples were tested against a required 37,288 samples (one for every 50 cum of concrete).
- viii. "Shooting flows" and "high shooting velocities" (14-20 m/s) at the exit of the end sill caused damage to downstream protection works (apron and CC blocks). This was due to "inadequate tail water levels" and operating gates at small openings.
- ix. **Inadequate Quality Control:** "The quality control aspects are observed to be inadequate in case of this most important component of these barrage structures (secant piles)." For secant piles, verticality checks were merely recorded as "yes" without measurements.

5. To enquire, identify and fix up responsibilities for any authority/ official who extended undue favours to the Agencies/ contractors in terms of allowing unjustified EOTs (extension of time), wrong Completion of work certificates, premature releasing of Bank Guarantees, and such other matter

- **Wrongful Completion Certificates.**
- **EoT granted in a casual manner without penalty on agencies**
- **Alleged wrongful collusion with agencies**
- **Premature Release of Bank Guarantees**
- **Relaxation of contract Conditions**

5. To enquire, identify and fix up responsibilities for any authority / official who extended undue favours to the Agencies / Contractors in terms of allowing unjustified EOTs (extension of time), wrong Completion of work certificates, premature releasing of Bank Guarantees, and such other matter:

- i. Wrongful Completion Certificates:** The issuance of "Substantial Construction Completion Certificate" (9.9.2019) and "Certificate of Completion of Works" (15.3.2021) for Medigadda barrage was "wrong, illegal and tainted with malice to do undue favour to the Agency," as works were not fully completed and defects were known.
- ii. Premature Release of Bank Guarantees:** Bank guarantees were released based on false completion certificates, which was "wrong and illegal."

- iii. Unjustified Extensions of Time (EOTs):** EOTs were granted "in a callous manner and in breach of the conditions of the Contract without imposing penalty on the Agencies," despite delays attributable to the agencies. This was done in "wrongful collusion with the Agencies to unduly favour them."
- iv. Relaxation of Contract Conditions:** Provisions regarding dewatering and coffer dam costs (originally the contractor's responsibility) were relaxed in RAA II to benefit the agencies, a move deemed "tainted with malice."

6. The Commission shall fix responsibilities for the lapses identified by it during its enquiry into the above matters and financial implications on the lapses identified

- **Political Heads Responsible**
- **IAS Officials Responsible**
- **Engineers Responsible**
- **Failure of Agencies**
- **Responsible to take up the damaged works**
- **Kaleshwaram Irrigation Corporation Ltd (KIPCL)**
- **Funding and loans**
- **Lack of financial discipline**
- **Insurance and Dam Break Analysis**

6. The Commission shall fix responsibilities for the lapses identified by it during its enquiry into the above matters and financial implications on the lapses identified-Critical Findings

- **Then Chief Minister**
 - Sole decision maker for Medigadda, Annaram and Sundilla Barrages
 - Functioned as Administrative Executive
 - Directed impounding of water at barrage's peril
 - Liable for irregularities and illegalities
- **Then Minister for Irrigation**
 - Allowed CM to fulfil desires
 - Liable for irregularities
- **Then Minister for Finance and Planning**
 - Tacit perpetrator
 - Oblivious / ignorant of financial implications and rules
 - Lacked commitment and integrity in safeguarding state finances

6. The Commission shall fix responsibilities for the lapses identified by it during its enquiry into the above matters and financial implications on the lapses identified:

The Commission "fixes responsibilities for the lapses identified."

i. Political Executives Held Liable:

- The lapses related to Political Executives i.e., the then Chief Minister Sri. K. Chandrasekhar Rao, the then Minister for Irrigation Sri. T. Harish Rao and the then Minister for Finance Sri Etela Rajendar are given in "Critical Findings of the Commission in the Report" in the above slides.**

ii. IAS Officers Held Liable

Name	Designation	Nature of Lapse	Commission's Finding
Sri. S.K. Joshi, IAS	Spl Chief Secretary (I&CAD), then Chief Secretary; Chairman, KIPCL	<ul style="list-style-type: none">• Improper role in re-engineering and approvals• Failed to ensure KIPCL projects were taken up as turnkey• Participated in financial & technical decisions and violating Business rules	Liable for serious lapses

Name	Designation	Nature of Lapse	Commission's Finding
Smt. Smita Sabharwal, IAS	Secretary to Chief Minister	Held "not diligent, is negligent and irresponsible in the discharge of her duties" for failing to ensure Business Rules compliance regarding cabinet approvals.	Liable for action
—(Not individually named)	Additional Secretary to Finance, Secretary to Finance, Secretary to Irrigation	<ul style="list-style-type: none"> • Issued G.O.Rt. Nos. 231, 232, 233 dated 1.3.2016 without Cabinet approval • Violation of Business Rules 	Liable for action

Name	Designation	Nature of Lapse	Commission's Finding
— (Prl Secy & Spl CS to Govt, I&CAD)	Senior Administrative Officials	<ul style="list-style-type: none"> • Mechanically processed RE proposal • No application of mind; acted in connivance with Engineers 	Liable for negligence and connivance
Members of KIPCL Board (all relevant times)	Board Members	<ul style="list-style-type: none"> • Borrowed funds and issued cheques in violation of project conditions • Approved irregular decisions without scrutiny 	Collectively liable for financial decisions

iii. Engineering Officials Held Liable:

Name	Designation	Nature of Lapse	Commission's Finding
Sri. C. Muralidhar	Engineer-in-Chief (Irrigation)	<ul style="list-style-type: none"> • Acted with malice and dishonesty in pushing for Revised Estimates (RE) • Deliberately suppressed to CWC the fact that work was taken up on Lump Sum contract basis <p>Malicious intent in proposing RE</p>	Liable for dishonest suppression and overreach of authority
Members of High Power Committee (HPC)	Senior Engineers & Committee Members	<ul style="list-style-type: none"> • Improperly facilitated decision to shift barrage locations without technical mandate • Approved RE without proper diligence • Ignored WAPCOS DPR and justified inflated costs 	Liable for gross irregularities and facilitating illegal decisions

Name	Designation	Nature of Lapse	Commission's Finding
Engineer-in-Chief (General), Sri. N.Venkateswarulu Engineer-in-Chief (Irrigation) Kaleswaram	ENCs	<ul style="list-style-type: none"> • Serious lapses in planning and execution of the project • Recommended approval of RE without verifying completion 	Liable for action
Sri. B.Hari Ram CE (Kaleswaram)& SE (Kaleswaram)	Chief Engineer & Superintending Engineers	<ul style="list-style-type: none"> • Failed to properly plan and supervise execution • Lapses in quality control and certification 	Liable for action

Name	Designation	Nature of Lapse	Commission's Finding
Engineers of Central Designs Organization (CDO) Sri. T.Srinivas CE, A.Narendar Reddy CE, K.S.S.Chandrashekar SE Sri.Basavaraju EE	Design Engineers including CE	<ul style="list-style-type: none"> • Prepared faulty designs and drawings • Betrayed the trust reposed by the State 	Liable for criminal breach of trust
Smt. J.Sridevi CE, Sri.G.Ramesh CE and J.Ashirwadam CE of TGERL	Chief Engineers and other officials	<ul style="list-style-type: none"> • Negligence in responsibilities at all relevant times 	Appropriate action recommended
EEs and SEs of Barrage (Construction Certificates)	Executive & Superintending Engineers	<ul style="list-style-type: none"> • Issued false substantial and final construction completion certificates 	Liable for action

Name	Designation	Nature of Lapse	Commission's Finding
Members of State Level Standing Committee (SLSC)	Committee Members	<ul style="list-style-type: none"> Approved RE-2 falsely citing works completed 	Liable for action
Sri. G. Anil Kumar	Engineer-in-Chief (General)	<ul style="list-style-type: none"> Presented misleading and false technical justification of grouting 	Liable for action
Sri B. Nagender Rao,	Engineer-in-Chief (O&M)-	Failed absolutely in carrying out <i>O&M duties</i> from 1.1.2021 onwards, attempted to absolve himself of responsibility and shift blame, Liable for perpetuating damage to all three barrages. Held responsible for failure in both O&M and quality assurance	Liable for action

Name	Designation	Nature of Lapse	Commission's Finding
Smt T. Pramila,	Chief Engineer, State Dam Safety Organization	Held liable for non-performance as per Dam Safety Act	Liable for action
Sri. Shankar Naik,	CE, Hydrology & Investigation	Held for irresponsibly and negligent	Liable for action

iv. Engineering Officials found to have Committed Perjury:

Name	Designation	Nature of Perjury	Commission's Finding
Sri. T. Srinivas	Chief Engineer, CDO	False statement on RE and planning before the Commission	Committed perjury – recommended for action
Sri. Sardar Omkar Singh	Executive Engineer, Ramagundam	False deposition before the Commission	Committed perjury – recommended for action
Sri. B. Hari Ram	Chief Engineer, PCSS Project	False deposition before the Commission under oath	Committed perjury – recommended for action
Sri. A. Narender Reddy	Chief Engineer, CDO	False deposition before the Commission under oath	Committed perjury – recommended for action

Executing Agencies (L & T, Afcons, Navayuga)

- 1. Hand in glove with project authorities**
- 2. Acted with malicious intention for undue benefit**
- 3. Responsible for rectifying defects at their cost**
- 4. Obtained false completion certificates**

v. Executing Agencies:

- The **Agency – L&T** is held not entitled to seek either Substantial Construction Completion Certificate or the Certificate of Completion of Works and it is held that the barrage works of **Medigadda barrage** have not been completed and, for the reasons recorded in the Report, the **Agency is liable to complete all the pending works including defect rectification works and restoration works including restoration of the 7th Block of Medigadda barrage, at its own cost.**
- In case the Agency fails to act in this regard, the project authorities shall get the said works done and recover the amounts incurred thereupon from the Agency in terms of the Contract and in accordance with law.
- The Agencies for the construction of **Annaram** and **Sundilla barrages** are **held liable to rectify the defects at their cost since they are held to have not attended the same during Defect Liability Period.**

“The totality of the facts and the analysis of the evidence lead the Commission to the irresistible conclusion that the certificates of completion issued in respect of the Medigadda barrage were incorrect and unjustified. **The defect liability period has not legally commenced as the structure was not complete in terms of the contract. The Commission therefore holds that the contractor is liable to repair the damage and complete the works in accordance with the contractual terms at his cost.**

- The totality of the facts show **clinching evidence and explicitly prove the fact that the Project authorities and the Agency are hand in glove** with each other and acted with concerted malicious intention in pursuit of their unfair and ulterior motive to unduly benefit out of, and make unlawful gain from the huge amount of public money expended on the construction of Medigadda barrage.
- It is held that the proposals for items of expenditure under **RE II are made with malicious intention and to do undue favour to the Agencies.** It is also held that the conditions of Contract have been wrongly and illegally and with ulterior motive relaxed to unduly favour the Agencies.

- The evidence of Sri Etela Rajender that the decision to construct these three barrages is taken pursuant to the Report of the Cabinet Sub-committee having been accepted by the Cabinet is patently wrong.
- The amounts which are held to be wrongfully and illegally paid to the Agencies with malicious intention to unduly benefit the Agencies under the Revised Administrative Approval II shall be recovered, jointly and severally, from the Chief Engineer Kaleshwaram Project, Engineer-in-Chief Kaleshwaram Project, Engineer-in-Chief (Irrigation) Hyderabad and the members of the State Level Standing Committee who examined and approved the Revised Estimates II.

2. Bank Guarantee Enforcement

- The Commission holds that since the final completion certificates were issued wrongfully and the works were not actually completed, the Defect Liability Period has not legally commenced, and any failure of structure during this time would make the contractor liable under the original agreement terms. Therefore, the Bank Guarantees submitted for performance and defect liability must be enforced

3. Annaram Barrage

“Completion certificate was issued even when certain protection works and foundational checks were still pending.”

4. Sundilla Barrage

“There was no conclusive evidence of foundation stability being verified, and key contractual obligations under the defect liability clause were not met at the time of certification.

Rejection of L&T’s Claim on Design Execution

“The claim now made by L&T that it merely executed the works as per the design given to it is therefore **unacceptable**.”

since there are **email correspondence** that shows the agency was involved in finalizing the design along with CDO officials.

Key Findings

- **No proper planning, wrong estimates. Illegal approvals**
- **Contracts awarded illegally (lump sum vs. turnkey)**
- **Revised estimates malicious, undue favours to agencies**
- **Extension of time granted collusively**
- **Designs fundamentally defective (barrages as dams)**
- **Poor Quality Control. Defective construction**
- **No Operation and maintenance, no manuals, no agreements**
- **Illegal completion certificates and bank guarantee releases**
- **Financial mismanagement, heavy OBBs, no revenue of KIPCL**

Financial Implications

- **Massive Cost Overruns:** The project, initially conceived at Rs. 38,500 crores for PCSS, escalated to Rs. 71,436 crores for Kaleshwaram (as per CM's letter in 2016), and later saw revised administrative approvals totaling over Rs. 1,10,248.48 crore by March 2022.
- **Infructuous Expenditure:** The Expert Committee noted that shifting the project from Tummidu Hatti to Medigadda would render "approximately Rs. 6000 crores" of work already done as "infructuous," plus an additional Rs. 1500 crores for tunnel lining/filling, and extra land acquisition costs.
- **Burden of Off-Budget Borrowings (OBBs):** KIPCL raised loans of Rs. 87,449.15 crore (as of March 2022) with State Government guarantees. The report highlights that "the burden of repayment of the loan and interest is likely to fall on the State Budget."

- As of September 2024, Rs. 29,737.06 crores have been paid towards principal and interest. The balance principal is Rs. 64,212.78 crores, with approximate additional interest payable of Rs. 41,638 crores.
- Loans were diverted/transferred to the Government (Rs. 1,690.09 crore) and used for margin money (Rs. 4,011.52 crore), incurring additional interest burdens.
- **Loss from Undue Favours:** Post-tender inclusion of price adjustment clauses in five agreements led to an "**avoidable payment of price escalation of Rs. 1,342.48 crores.**" Other "inflated rates, undue benefits/excess payments to contractors" amounted to Rs. 612.51 crore.

- The Commission opined that the manner of processing and scrutiny of the bills submitted by the agencies (including regarding price adjustment) has also to be investigated in depth.
- A deep, critical and objective study is also required to be done in respect of observance or otherwise of the exact Rules and Laws in the matter of off-budget borrowings by the State/KIPCL for construction of the three Barrages.
- Hence, the commission opines and recommends financial investigation into the matter of raising of loans by the KIPCL and Disbursing the same and the ultimate beneficiary.

Summary of Findings:

- The Commission concludes that the entire project was characterized by **"rampant and brazen procedural and financial irregularities."**
- The report underscores that the Kaleshwaram project, intended as a "lifeline of the State of Telangana," became a **colossal waste of public money due to a profound failure of governance**, planning, technical oversight, and financial discipline, driven by the **individual decisions and undue influence of political leadership**.

11. The Commission of Inquiry report dated 31.07.2025, pertaining to allegations of irregularities and embezzlement of public funds through corrupt practices in the construction of the Medigadda, Annaram, and Sundilla barrages of the Kaleshwaram Project, is now **placed**.

THANK YOU