No.J-19011/1/2005-NRCD-II
Government of India
Ministry of Environment & Forests
NATIONAL RIVER CONSERVATION DIRECTORATE

"Paryavaran Bhawan", C.G.O. Complex,
Lodhi R qed, New Delhi-110003
Dated:-14th July, 2010

To
Shri Alok Ranjan,
Principal Secretary,
Department of Urban Development,
Government of Uttar Pradesh,
"Bapu Bhawan", Sachivalaya,
Lucknow (UP).

Sub:- Administrative Approval and Expenditure Sanction for the project of "JICA assisted Ganga Action Plan (GAP) Phase-II project at Varanasi, U.P" under the National Ganga River Basin Authority (NGRBA) at an estimated cost of Rs.498.90 crore (Rupees Four hundred Ninety six crore and Ninety lakh only)

Sir,

I am directed to convey the sanction of the President to the grant of Administrative Approval and Expenditure Sanction for the project of "JICA assisted Ganga Action Plan (GAP) Phase-II project at Varanasi, U.P" under the National Ganga River Basin Authority (NGRBA) at an estimated cost of Rs.498.90 crore (Rupees Four hundred Ninety six crore and Ninety lakh only). The cost is to be shared on 85:15 basis between Govt. of India and the State Govt. of U.P. The Govt. of India's share at 85% will be Rs.427.73 crore and the State Govt.'s share at 15% will be Rs.69.17 crore. The component of consulting services will be borne by the Govt. of India.

2. Break-up of the sanctioned cost is at Annexure-I.

3. Implementation of the below mentioned components of the project shall commence after the Technical Committee set up to examine the interceptor sewer proposal of the Sankat Mochan Foundation has been received and examined:-

(i) Detailed investigation of Old Trunk Sewer - Rs. 0.80 crore
(ii) Rehabilitation work of Old trunk Sewer - Rs. 71.28 crore
(iii) Rehabilitation of 5 Ghat Pumping Stations - Rs. 5.30 crore
(iv) Renovation/Rehabilitation works at Konia MPS, Bhagwanpur and Dinapur STPs. - Rs. 9.60 crore

TOTAL:- Rs. 96.78 crore
4. This sanction is further subject to the following conditions:-

(i) The cost of the scheme shall be borne by the Central Govt. and the Govt. of Uttar Pradesh in 85:15 cost sharing basis. Liability of the Central Govt. will be restricted to Rs. 427.73 crore only. Any cost escalation/time overrun, due to whatsoever reasons, will be the responsibility of the State Government of Uttar Pradesh.

(ii) The period of completion of the scheme is 60 months from the date of this sanction i.e., 31-7-2015. Progress of implementation of the project shall be closely monitored by the Govt. of Uttar Pradesh so as to ensure that the project is completed within the stipulated time. Schedule for completion of scheme and all other conditions shall be strictly adhered to.

(iii) The Government of Uttar Pradesh shall ensure the following:

a. The choice of technology for treatment shall be guided by the least cycle cost and the output to be achieved. The choice of technology shall be left open during the tendering process.

b. Detailed design & engineering of the sewerage system and sewage treatment plant based on extensive survey and investigation before execution to achieve economy in the proposal as well as to avoid any shortfall in the design. Disaster management concerns shall also be taken into account while executing the project.

c. Optimum utilization of the assets created under this project, Ganga Action Plan or any other Central/State Plan.

(iv) The Government of Uttar Pradesh shall also ensure the following:

- Coliform reduction to be desired levels, important for human health, must be ensured.
- Reuse of treated effluent to the maximum extent possible.
- Considering the scarcity of land, cost comparison of treatment technologies should factor in land while deciding the treatment technology.
- The size of sewer should be optimized to achieve best results, taking into account all relevant local conditions.
- It may be ensured that the land acquisition process is completed at the earliest, so that physical work can be started expeditiously.

(v) Conditions/commitments indicated in the EFC Memo., Minutes and other documents shall be strictly adhered to in the project implementation and management.
(vi) The State Govt./Implementing Agency shall ensure proper coordination with the Project Management Consultants to be appointed by the Govt. of India for the project.

(vii) O&M will be the responsibility of the State Government/ULB/Project Implementing agency and the cost of it is also to be borne by the State Government/ULB/Project Implementing Agency. Properly trained staff shall be deployed to operate and maintain these assets.

(viii) The funds for the project implementation will be released by the GOI in suitable installments and each installment will be released only after scrutiny of the Utilization Certificate and Progress Report in respect of the previous installment, periodical examination of any mismatch between the funds released and physical progress achieved component-wise and ensuring that the matching share of the State Government, if any, has been released to the Implementing agency.

(ix) The State Government shall release their corresponding share in the project from time to time commensurate with the Govt. of India release without any delay.

(x) Compliance of guidelines/procedures of JICA and NGRBA from time to time shall be ensured by the State Govt./Implementing Agency.

(xi) Subsequent release of the GOI share of the project cost will be in appropriate installments upon production of Utilization Certificate in Form GFR-19-A duly signed by the authorized signatory; production of Expenditure Statement and Progress Report showing progress in respect of provisions installment in terms of percentage.

(xii) The Implementing agency shall furnish monthly expenditure statements in the prescribed forms from the commencement of the project. These should be submitted by the 20th of the following month.

(xiii) The Implementing agency shall furnish to the NRCD a utilization certificate in respect of grants-in-aid received during the various quarters as under:-

(a) For the 1st, 2nd and 3rd quarters in the prescribed form of the NRCD & GFR-19-A.

(b) For the 4th Quarter in the prescribed form of the NRCD & GFR-19-A.

(c) Utilization certificates will be furnished to NRCD in respect of grants received in various quarters by the dates indicated as follows:-
1st Quarter | April – June | 15th August
2nd Quarter | July- September | 15th November
3rd Quarter | October-December | 15th February
4th Quarter | January- March | 15th May

(xiv) Inspection:

(a) The Government of India may depute any person to visit the implementing agency for the purpose of monitoring of the work. Full facilities shall be provided by the implementing agency to the persons deputed by the Government of India for inspection.

(b) The implementing agency shall maintain separate audited accounts for the project. The interest earned has to be reported as a credit to the grantee adjustable towards further installments of grant.

(xv) Any staff that may be employed for preparation, execution or operation of the project by the implementing agency are not to be treated as employees of the Government of India. They shall be governed solely by the rules of the grantee with respect to all matters including terms and tenure of service. The deployment of such staff at the time of completion or termination of the project will not be the concern or responsibility of the Government of India.

(xvi) Audit:

a) The Comptroller & Auditor General of India at his discretion shall have the right of access to the books and accounts of the Implementing Agency receiving the funds from the Government of India for the purpose of Audit.

b) The books of accounts of the grantee, relating to this grant, shall be open to Audit by the Internal Audit Wing of this Ministry.

c) The implementing agency shall furnish to the Government annually a report of its work within three months, and its audited statement of accounts within nine months of the financial year.

(xvii) Project Management & Monitoring:

(a) Time and cost overrun leading to delay in implementation of projects is viewed with serious concern by the Central Government and as per instructions contained in Cabinet Secretary’s D.O. letter No.281/1/10/2000-Cab., dated June 4, 2001 read with Planning Commission’s D.O. letter No.O-14015/2/98-PAMD, dated 19.8.1998, mandatory Review of the Schemes must be carried out from time to time so as to assess the expenditure trend and time schedule of the schemes and appropriate action against those responsible for delay shall be taken, in accordance with the instructions (copy enclosed).
(b) Institutional monitoring mechanism as well as arrangements like City Level Monitoring Committee for community involvement and consultations prescribed from time to time under NGRBA shall be ensured.

4. Administrative Approval and Expenditure Sanction is also subject to compliance of conditions issued vide the Additional Secretary and Project Director's D. O. letter No. A-28077/1/88-NRCD-II dated 6-7-1998 (copy enclosed).

5. The expenditure of the scheme is deitable to Major Head "3435"-04.101.08.03.35-Grant-in-aid (Capital Assets-National Ganga River Basin Authority (NGRBA) under Demand No.30-Ministry of Environment & Forests for the year 2010-11 (Plan).

6. This issues under the powers delegated to the Ministry of Environment & Forests and with the approval of competent authority as well as with the concurrence of IFD vide Dy. No.141B/JS(FA)/F/09 dated 21-5-2009.

Yours faithfully

(C. UPPLI)

Under Secretary to the Government of India

Copy forwarded for information and necessary action to:

1) The Pay and Accounts Officer, Ministry of Environment and Forests, Paryavaran Bhawan, New Delhi.
2) DDO (NRCD).
4) Shri S.P. Mishra, Special Secretary, Department of Urban Development, Govt. of U.P., "Bepu Bhawan", Sachivalaya, Lucknow (UP)
5) Shri A.K. Srivastava, Managing Director, U.P. Jal Nigam, 8, Rana Pratap Marg, Lucknow (UP).
6) Municipal Commissioner, Varanasi Nagarvaranasi (UP).
8) Dy.(HA)/Dir(BS)/Dy(OS)US (F)/US (P).
9) Sanction Folder/Guard File/Computer cell.

(C. UPPLI)

Under Secretary to the Govt. of India
### Abstract of Cost for JICA assisted GAP-II project at Varanasi

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Item</th>
<th>Estimated cost (Rs. crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Sewerage component</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Construction of Assi Interceptor</td>
<td>38.36</td>
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<tr>
<td>2</td>
<td>Construction of Secondary Sewer in Assi Nala Catchment</td>
<td>11.16</td>
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<td>3</td>
<td>Construction of Varuna Right Bank Interceptor Sewer (both upstream &amp; downstream)</td>
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<tr>
<td>5</td>
<td>Extension of Relieving Trunk Sewer</td>
<td>34.90</td>
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<td>6</td>
<td>Construction of Chaukaghat Right Bank PS</td>
<td>7.57</td>
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<tr>
<td>7</td>
<td>Construction of Phulwaria, and Saraiya Ghat PSs</td>
<td>2.09</td>
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<td>8</td>
<td>Rising Mains for Phulwaria, Saraiya, and Chaukaghat Right Bank PS</td>
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<td>9</td>
<td>Electrical and Mechanical Works at Chaukaghat Right Bank PS</td>
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<td>10</td>
<td>Electrical and Mechanical Works at Phulwaria and Saraiya Ghat PSs</td>
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<td>11</td>
<td>Construction of Sathwa STP</td>
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<td>12</td>
<td>Remodelling of Irrigation Canal</td>
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<td>13</td>
<td>Detailed Investigation of Old Trunk Sewer</td>
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<td>14</td>
<td>Rehabilitation Work of Old Trunk sewer</td>
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<td>15</td>
<td>Rehabilitation of 5 Ghat SPS</td>
<td>5.30</td>
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<td>16</td>
<td>Reno/Rehab Works at Konia MPS, Bhagwanpur and Dinapur STPs</td>
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<td><strong>Sub - Total</strong></td>
<td>351.31</td>
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<td><strong>Centages @ 8% (except for the work at Sl: No.-12)</strong></td>
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<td><strong>Sub - Total for Sewerage component</strong></td>
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<td>B</td>
<td>Non-sewerage component</td>
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<td>17</td>
<td>Construction of Community Toilets</td>
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<td>18</td>
<td>Construction of Dhoi ghat</td>
<td>5.37</td>
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<td>19</td>
<td>Ghat Improvement Project</td>
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<td>20</td>
<td>Public Participation and Awareness for non-sewerage component</td>
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<td><strong>Sub - Total</strong></td>
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<td><strong>Centages for non-sewerage component @ 8%</strong></td>
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<td><strong>Sub - Total for non-sewerage component</strong></td>
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<td>C</td>
<td>Institutional Development Programme</td>
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<td>D</td>
<td>Consulting Services</td>
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<td>E</td>
<td>Land acquisition</td>
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<td></td>
<td><strong>GRAND TOTAL (A+B+C+D+E)</strong></td>
<td>496.90</td>
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</tbody>
</table>

July 5, 1998

Dear

The sustainability of river Action Plans largely depends upon the capacity of the municipalities/corporations to operate and maintain the assets created under the Plans. Operation & maintenance of the assets created under the Ganga Action Plan has suffered significantly due to the non-availability of adequate funds with the local bodies entrusted with the task.

2. It has now been decided that unless the viability of the concerned municipality/corporation is established, detailed project reports of various schemes under the Action Plans for such a town will not be approved.

3. In order to expedite sanction of these programmes, I would request you to send the following information latest by 20.7.98 in respect of each municipality/corporation in the river Action Plan towns of your State:

i) Immediate availability of land for Action Plan schemes.

ii) a) Commitment for O&M of Action Plan assets,
    b) Details of property tax recovered in each town,
    c) Income and expenditure statements of the last 5 years’ town wise, and
    d) Plans to reduce the deficit

iii) Status of constitution of Citizen's Monitoring Committee in each town.

iv) Arrangements of maintenance of existing branch/lateral sewerage system as also that of the management of urban solid waste.

v) Status of maintenance of toilet complexes constructed under river Action Plans as well as other programmes of the Central State Governments.

With regards,

Yours sincerely,

- Sd -

( Malti Sinha )

To:

1. Shri K. S. Sripathy, Secretary (Environment)/Govt. of Tamil Nadu, Chennai.
2. Shri S. P. Patnaik, Principal Secretary, Forests, Ecology & Environment, Govt. of Karnataka, Bangalore.
3. Shri Satyanand Mishra, Secretary, Deptt. of Housing & Environment, Govt. of M.P., Bhopal.
5. Shri N. K. Hariharan, Principal Secretary, Municipal Admn. & Urban Development Deptt., Govt. of A.P., Hyderabad.
6. Shri N. K. Arora, Principal Secretary, Deptt. of Local Govt., Govt. of Punjab, Chandigarh.
7. Shri N. L. Basak, Principal Secretary, Govt. of West Bengal, Calcutta.
8. Shri Virendra Nath, Financial Commissioner & Secretary, PWD Public Health Branch, Govt. of Haryana, Chandigarh.
Dear Secretary,

The Cabinet Committee on Economic Affairs at its meeting held on 31.5.2001, expressed grave concern at the significant time and cost overruns in certain projects and observed that no specific action had been taken by the concerned ministries / departments to fix responsibility for the delays. The Committee, therefore, stressed the need to vigorously pursue inquiries relating to such cases so as to fix responsibility, unambiguously, wherever possible, for taking action against those responsible for delays.

2. In pursuance of the CCEA meeting held on 25.6.1998, the Planning Commission vide their d.o. dated 19.8.1998 (copy enclosed) has laid down a mechanism for fixing responsibility in cases of time and cost overrun of projects. This mechanism envisages the setting up of a Standing Committee in each ministry / department to examine the time and cost overrun of projects. The report of the Standing Committee and action taken thereon by the administrative ministry / department for fixing responsibility for delay, along with the proposal for RCE, are to be placed for consideration of CCEA. It has, however, been observed that quite often, in their action taken report, the ministries / departments simply state that such time and cost overruns, or causes thereof, will be avoided in the future, without specifically mentioning the punitive action taken or proposed, for the lapses of responsible officials.

3. All ministries / departments are, therefore, requested to strictly adhere to the procedure laid down by the Planning Commission in this behalf and incorporate in the CCEA notes a clear statement of the specific action taken / proposed to be taken by them in delayed projects, on the basis of the Standing Committee reports.

With regards,

Yours sincerely,

- Sd -

(T. R. Prasad)

Shri P. V. Jayakrishnan,
Secretary,
Min. of Environment & Forests.
Dear

The Cabinet Committee on Economic Affairs at its meeting held on 25.6.98, inter alia, decided as under:

"In every case where the project cost over-run is over 20% and is accompanied by time over-run of over 10%, or such other time and cost over-run norms as may be deemed appropriate by the Planning Commission for different types of project, the revised cost estimates should be brought up for approval of the Cabinet Committee on Economic Affairs only after responsibility is fixed for the cost and time over-run. The Committee directed further that the Planning Commission should devise an appropriate mechanism for fixing the responsibility."

2. In pursuance of the above decision, the Planning Commission has devised the following mechanism for fixing the responsibility:

(a) Set up a Standing Committee in each Ministry/Department to be headed by Additional Secretary or Joint Secretary and with representatives from Planning Commission, Department of Expenditure and Department of Programme Implementation as members. The Administrative Ministry/Department would act as Secretariat and would be responsible for providing document/information as may be required by the Committee.

(b) The report of the Standing Committee would be signed by all the members of the Committee and appended to the PIB/EFC memoranda in case of PIB/EFC cases and in other cases the report in respect of projects of Rs. 200 crores and above would be submitted by the concerned Ministry to the Committee headed by Finance Secretary. Recommendations made by the Committee and action taken thereon by the concerned Ministry/Department would be placed before the CCEA. In the case of non PIB/EFC cases costing less than Rs. 200 crores, the recommendations made by the Standing Committee and action taken thereon would be submitted by the Ministry/Department directly to the CCEA.

(c) The background note circulated for the Standing Committee should, inter alia, include: (i) a brief but comprehensive and self explanatory note on the reasons for cost and time over-run, (ii) a detailed chronology of events, starting from the date of approval, and (iii) the duly filled in check list (copy enclosed).

3. The above mechanism for fixation of responsibility would be applicable to all cases being posed to the CCEA.
In view of the above, I have been exercising my delegated powers to fix the responsibility for cost and time over-runs.

5. I, therefore, request you to set up a Standing Committee as mentioned below and ensure that the cases which require fixing the responsibility are brought before it without any delay.

6. This issue is with the approval of Deputy Chairman, Planning Commission.

With regards,

Yours sincerely,

(Sd) _______________________

(Ahmad Masood)

Encl: As above

Secretaries/Financial Advisers
All Departments/Ministries