To,
The Project Director, SPMG and
Principal Secretary, Urban Development Department
Government of Uttar Pradesh
Sachivalaya, Bapu Bhawan
Lucknow-226001

Sub: Administrative Approval and Expenditure Sanction for the project on "Sewerage Works in Sewerage District A of Allahabad (Uttar Pradesh)" under the Infrastructure Investment component of the World Bank assisted National Ganga River Basin Authority Project at an estimated cost of Rs. 288.94 Crore (Rupees Two Hundred Eighty Eight Crore and Ninety Four Lakhs only).

Sirs,

I am directed to convey the grant of Administrative Approval and Expenditure Sanction for the project on "Sewerage works in Sewerage District A of Allahabad (Uttar Pradesh) " under the Infrastructure Investment component of the World Bank assisted National Ganga River Basin Authority Project at an estimated cost of Rs. 288.94 Crore (Rupees Two Hundred Eighty Eight Crore and Ninety Four Lakhs only ) on 70:30 cost sharing basis between the Centre and the State with the following major project components

- Sewerage works in three sewerage zones of Allahabad District A
- Sewer Network of 241.625 km (85.025 km in Zone I, 86.26 km in Zone II and 70.34 km in Zone III);
- 2 sewage pumping stations in zone-I and 1 sewage pumping station in Zone-II;
- 2 rising mains in Zone-I and 1 rising main in Zone-II;

2. The summary of project cost is given at Annexure-I. The 70:30 cost sharing between Centre & State shall be as under:

<table>
<thead>
<tr>
<th>Component</th>
<th>Share of Cost (%)</th>
<th>Capital Cost (Rs. in crore)</th>
<th>5 years O&amp;M Cost (Rs. In crore)</th>
<th>Total Project Cost (Rs. in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government of India</td>
<td>70</td>
<td>187.42</td>
<td>14.84</td>
<td>202.26</td>
</tr>
<tr>
<td>State Government of Uttar Pradesh</td>
<td>30</td>
<td>80.33</td>
<td>6.35</td>
<td>86.68</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>267.75</td>
<td>21.19</td>
<td>288.94</td>
</tr>
</tbody>
</table>

3. Administrative Approval and Expenditure Sanction for the project is granted subjected to the conditions as per Annexure –II.

4. The period of completion of the project is 15 (Forty Five) months from the date of this sanction, including 9 months timeframe for bidding process and award of work.
Procurements shall be made strictly as per the 'Procurement Guidelines of the World Bank' incorporated in the 'NGRBA programme framework'.

5. The grantee institution i.e. 'Uttar Pradesh Rajya Ganga Nadi Sanrakshan Abhikaran', the State Programme Management Group (SPMG), is a registered society of the State Government constituted with the objective of serving as the dedicated institution for effective implementation of the NGRBA programme activities at the State level, and the State is responsible in the long term for the conservation and health of the State’s stretch of the river Ganga.

6. The funds for expenditure on the schemes would be deitable to the EAP account of the NMCG upto validity of the World Bank project. The NMCG/Government of India reserves the right to withdraw the sanction at any stage, if it is convinced that the fund has not been properly utilized or appropriate progress is not being made.

7. In case of violation of any of the conditions of the grant or in case of closure or dissolution of the grantee organization, the Government shall take possession of all the assets of the organization acquired out of the Government grants and use them in any manner deemed appropriate or to recover from the organization the value of such assets at its discretion.

8. This AA&ES is issued based on the appraisal and sanction of the Empowered Steering Committee (ESC) vide its 7th meeting held on 6th of September 2013, and under the financial powers delegated vide OM No. 1 (3) PF-II/2001 dated 15.11.2007 amended vide OM of even number dated 1st April, 2010 of the Ministry of Finance (Deptt. Of Expenditure), with the approval of Minister of State (I/C) Environment & Forests & Minister of Finance vide letter no F. No. 54 (5)/PF-II/2009 dated 20th January 2014 and concurrence of Finance Unit of NMCG vide their Dy. No. 327/Dir(F)/2013 dated 03.12.2013.

Yours faithfully,

(J.P. Meena)
Secretariat Manager –In charge

Copy forwarded for information and necessary action to:-
1) The Chief Secretary, Government of Uttar Pradesh, Lucknow-226001.
2) Principal Secretary (Urban Development) Govt. of Uttar Pradesh, Sachivalaya, Bapu Bhawan, Lucknow.
3) Executive Officer, Allahabad Nagar Nigam
4) PS to Mission Director NMCG
5) Dir (Finance) & AMD / JD (LB)/US (P), NRCD,
6) NMCG Officials,
7) Sanction Folder /Guard File/Computer Cell, NRCD/MIS, NMCG,

(J.P. Meena)
Secretariat Manager –In charge
### Annexure-I

**Summary of cost of the project proposal of**

"Sewerage Works in Sewerage District A of Allahabad (Uttar Pradesh)"

<table>
<thead>
<tr>
<th>Sl.No</th>
<th>Description</th>
<th>Estimated Cost (Rs in Lakhs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A</strong></td>
<td><strong>Sewerage work in Zone I</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sewer Laying by Open Excavation method</td>
<td>7357.92</td>
</tr>
<tr>
<td>2</td>
<td>New Bairahana SPS</td>
<td>782.52</td>
</tr>
<tr>
<td>3</td>
<td>Rising Main</td>
<td>36</td>
</tr>
<tr>
<td>4</td>
<td>Kydganj (Gate No.9) SPS</td>
<td>798.68</td>
</tr>
<tr>
<td>5</td>
<td>Rising Main</td>
<td>120</td>
</tr>
<tr>
<td><strong>Sub Total (Zone I) of A</strong></td>
<td><strong>9095.12</strong></td>
<td></td>
</tr>
<tr>
<td><strong>B</strong></td>
<td><strong>Sewerage work in Zone II</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sewer Laying by Open Excavation method</td>
<td>7053.58</td>
</tr>
<tr>
<td>2</td>
<td>Bargadghat SPS</td>
<td>912.3</td>
</tr>
<tr>
<td>3</td>
<td>Rising Main</td>
<td>379</td>
</tr>
<tr>
<td><strong>Sub Total (Zone II) of B</strong></td>
<td><strong>8344.88</strong></td>
<td></td>
</tr>
<tr>
<td><strong>C</strong></td>
<td><strong>Sewerage work in Zone III</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sewer Laying by Open Excavation method</td>
<td>5297.61</td>
</tr>
<tr>
<td>2</td>
<td>Sewer Laying by Trenchless method</td>
<td>908.67</td>
</tr>
<tr>
<td>3</td>
<td>Desiting &amp; CIPP lining</td>
<td>816.81</td>
</tr>
<tr>
<td><strong>Sub Total (Zone III) of C</strong></td>
<td><strong>7023.09</strong></td>
<td></td>
</tr>
<tr>
<td><strong>D</strong></td>
<td>Communication &amp; Public Outreach</td>
<td>105</td>
</tr>
<tr>
<td><strong>E</strong></td>
<td>GAAP</td>
<td>30</td>
</tr>
<tr>
<td><strong>F</strong></td>
<td>ESAMP</td>
<td>90</td>
</tr>
<tr>
<td><strong>G</strong></td>
<td>Total of (A+B+C+D+E+F)</td>
<td><strong>24688.09</strong></td>
</tr>
<tr>
<td><strong>H</strong></td>
<td><strong>Centage charges of (G)</strong></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Cost of Project preparation @ 4% (maximum)</td>
<td>987.52</td>
</tr>
<tr>
<td>2</td>
<td>Cost of supervision of project @ 4% as per NGRBA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>PROGRAMME guidelines (maximum)</td>
<td></td>
</tr>
<tr>
<td><strong>I</strong></td>
<td><strong>Sub Total of H</strong></td>
<td><strong>1975.05</strong></td>
</tr>
<tr>
<td><strong>J</strong></td>
<td>Provision for sewer cleaning equipment's</td>
<td>112.22</td>
</tr>
<tr>
<td><strong>K</strong></td>
<td>Five Years O &amp; M Cost</td>
<td>2119.35</td>
</tr>
<tr>
<td><strong>L</strong></td>
<td><strong>Sub Total of (J+K)</strong></td>
<td><strong>2231.57</strong></td>
</tr>
<tr>
<td><strong>Total cost (G+H+L)</strong></td>
<td><strong>28894.71</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Central (GOI) Share @ 70% (Rs. In Crore)</td>
<td>202.26</td>
</tr>
<tr>
<td></td>
<td>State Govt. (GOUP) Share @ 30% (Rs. In Crore)</td>
<td>86.68</td>
</tr>
</tbody>
</table>
Annexure-II

Conditions on Administrative Approval and Expenditure Sanction for the project on "Sewerage Works in Sewerage District A of Allahabad (Uttar Pradesh)"

1. General & Technical Conditions:
   i. 'Uttar Pradesh Rajya Ganga Nadi Sanrakshan Abhikaran', the State Programme Management Group (SPMG), which is a registered society, shall be responsible for overall planning, management and effective implementation of the project at state level.
   ii. 'Allahabad Nagar Nigam' shall be the Urban Local body (ULB) responsible for ensuring commitment to ownership, commitment to reforms for sustainable O & M, and community involvement.
   iii. The Uttar Pradesh Jal Nigam (UPJN) shall be the executing Agency (EA) of the project to be implemented under the guidance of the SPMG, in coordination and consultation with the ULB and overall monitoring of the National Mission for Clean Ganga (NMCG) as per provisions laid down in the NGRBA programme framework.
   iv. Operation and Maintenance (O & M) of the project in DBO mode for a period of 10 years will be responsibility of the State Government /Urban Local Body. The O & M shall include basic cleaning, service management for the proposed project area. Sustainable revenue generation from beneficiaries shall be encouraged.
   v. The State Government shall share 30 percent cost of the project, both for capital and O&M cost for first 5 years. The State Government shall bear 100 percent O&M cost from 6th year onwards from its own resource. The bid document on DBO basis should be prepared for the entire project and 10 years O&M period.
   vi. The project at Allahabad District A needs to be suitably aligned with the 'Strategic Sanitation Plan'/ 'City Sanitation Plan' / 'Master Plan' for Allahabad if any. Synergy shall be ensured with other Central /State sponsored programme like JnNURM, UIDSSMT etc. in the project area to avoid any overlap/duplication.
   vii. The activities proposed under the project shall conform to all Environmental Legislations and the NGRBA programme framework.
   viii. No untreated municipal wastewater should be allowed to fall in the Ganga or Yamuna river stretch adjoining sewerage District-A, Allahabad UP, after project commissioning.
   ix. Detailed design & implementation of the sewerage system, pumping stations, and lift station should be based on extensive survey. Proper investigation should be carried out before execution to achieve economy in the proposal as well as to avoid any shortfall in the design. Choice of technology should be left open and decided during the bidding process.
   x. Standard procedure as indicated in the CPHEEO manual on Sewerage & Sewage Treatment and codes of practice of BIS will be strictly followed during project implementation.
xi. Progress of implementation of the project shall be closely monitored by the State Government of UP/SPMG, so as to ensure that the project is completed within the stipulated period of time. In addition the progress (physical & Financial, including funds utilization certificates) needs to be reported to NMCG on regular basis and as and when requested.

xii. Any cost escalation /time overrun will be the responsibility of the State Government/ULB.

xiii. Bedding of sewer line need to be taken proper care considering the soil strata of the area as per CPHEEO norms; and Environment and Social Safeguard Reports need to be finalized considering the ESMF framework of NGRBA before bidding. Further suggestions on technical matters of World Bank, if any, would be taken into consideration before finalizing bid documents.

xiv. Bid Documents to be finalized in consultation with World Bank & NMCG. The compliance of observations of the NMCG, World Bank and TPA would be ensured by SPMG at the time of finalization of Bid Document.

xv. Guidelines issued by Ministry of Finance and other governing organizations regarding disaster management as applicable be adhered to during project execution.

xvi. Water supply rate and Sewage generation estimation shall conform to CPHEEO guidelines as per their manual.

xvii. The SPMG shall ensure appointment of agency for third party inspection (TPI)/ evaluation of the project.

xviii. World Bank bidding procedure to be followed and prior concurrence of the Bank needs to be obtained for the draft pre-bid documents.

xix. All components of the project shall be completed within specified time limits and the resources and outputs and outcomes are to be ensured as envisaged in the approved project Completion Report shall be submitted to NMCG on completion of the project.

xx. Any additional component relevant for project or any component requiring modification or deletion, may be added or modified or deleted as the case may be, only with the prior approval of the competent Authority.

xxi. Any project cost/time overrun, over and above the sanctioned cost, will be the responsibility of the State Government/ULB. The EA has to take this into account while incurring expenditure on the project.

xxii. Staffs that may be employed for preparation, execution or operation of the project by the EA are not to be treated as employees of the SPMG/NMCG. The deployment of such staff at the time of completion or termination of the project will not be the concern or liability of the SPMG/NMCG.

xxiii. Optimal utilization of the assets relating to the project and created under Ganga Action Plan or any other Central /State Plan shall also be ensured by the SPMG/EA/ULB.

xxiv. All data, records, documents and material related to the project shall be stored properly and catalogued by the SPMG/EA for reference and reference and retrieval including regular uploading/disclosure/updating of such data on website.
xxv. The State /SPMG/EA shall ensure that all provisions of the RTI Act 2005 are adhered to as far as information pertaining to the project is concerned.

xxvi. The State /SPMG/ULB shall ensure that public is informed in Allahabad district A regarding implementation of the project and soliciting their cooperation and views as applicable.

xxvii. For the provisions made under IEC activities, the SPMG shall make suitable arrangements with Allahabad Nagar Nigam for executing the ‘Communication and Public Outreach’ programmed under its supervision towards sensitization of people for abatement of pollution and

xxviii. Conditions/commitment indicated in the Empowered Steering Committee (ESC) Memo., Minutes and other documents including those to be fulfilled before finalizing the bid document(s) shall be strictly adhered to in the project implementation and management. The SPMG will ensure fulfillment of such conditions before finalizing the bids(s) by the EA. Copies of ESC Memo. Minutes and other related documents are already circulated.

2. The release of funds is subject to the following terms and conditions:-

2.1 Annual Plan and Procurement Plan:

i. The Annual Plan and yearly Procurement Plan shall be prepared by the month of November every year for the next financial year as per the provisions made in the NGRBA programme framework and submitted by the SPMG to the NMCG for necessary approval and budget allocations.

ii. The SPMG shall furnish to the NMCG annually a report of its work within three months from the closing of the respective financial years.

2.2 Financial Aspects:

i. Funds shall be made available to the agencies strictly as per the ‘Financial Management Manual (FMM)’ of the NGRBA programme framework.

ii. The SPMG/ULB shall take all necessary legal and executive measures to ensures adquated resources available for operation & maintenance of the assets created under the Project to fulfill its mandate.

iii. The funds released for the project shall be held in an interest earning NGRB project bank account of the SPMG (the mother account). The interest thus earned shall be credited to the project and reflected in the Interim Un-Audited Financial Reports (IUFRs) from time to time and shall be adjusted towards future funds release for the project. For any diversion of funds, the signatory of the bank account(s) shall be held responsible.

iv. The SPMG/EA are not permitted to seek or utilize funds for the same purpose from any other organization (Government, semi-Government, autonomous or private) without prior approval of the competent authority.
v. The sanctioned cost of the project will be born under the 'Municipal Waste Water' sub-project sector of 'Infrastructure Investment' component of the World Bank assisted 'National Ganga River Basin Project'. The sanctioned amount should be spent exclusively thereon as per the scope of the project and within the stipulated time. The liability of NMCG will not exceed the amount sanctioned for the project. For carrying forward any work(s) /activities beyond the specified time limit prior approval of the NMCG should be obtained.

vi. It is the responsibility of the SPMG/EA/ULB to ensure that the assets are exclusively used for the purpose for which grant is sanctioned and to maintain the assets and their records properly.

vii. All the assets acquired/created out of the grants shall not be disposed of, encumbered, or utilized for any purpose other than that for which sanctioned without prior approval of the Government.

viii. O&M costs will be considered for release only after the project construction is complete.

ix. Any payments made on account of project preparation by NMCG relating to this project shall be adjusted accordingly from the project preparation head.

2.3 Audit:

i. The Comptroller & Auditor General of India (the External Auditor) at his discretion shall have the right of access to the project related books and accounts of the SPMG/EA for the purpose of Audit.

ii. The books of accounts of the grantee, relating to this grant, shall be open to Audit by the Internal Auditor of the SPMG and the External Auditor.

iii. The overall auditing arrangements to cover both periodical internal and annual external audit of project shall be ensured as per the 'Financial Management Manual (FMM)' of the NGRBA programme framework.

2.4 Flow of Funds:

The fund releases by the NMCG shall be remitted by Election transfer to the SPMG account. The fund shall flow from the SPMG account to a separate sub-project specific zero balance bank account (the 'child account') of the EA in the same bank of SPMG. The following details may be kept updated from time to time enable electronic remittance:-

i. Bank account details of EA, both in figures and words, to SPMG.

ii. Bank account details of EA and SPMG both in figures and words to NMCG.


iv. The NMCG will transfer funds from the NMCG'S account to the SPMG account on submission of Interim Un-Audited Financial Report (IUFR) and other document information as prescribed in the Financial Management Manual (FMM)' of the NGRBA programme framework.

v. The SPMG Bank will transfer funds from the SPMG'S account (mother account) to the child account of EA as soon as payment instruction / cheque is issued by the EA to its banker for transfer funds to contractors/suppliers/service provider's account on the same date.
through ‘Real Time Gross Settlement (RTGS) / National Electronic Fund Transfer System (NEFT) subject to the budget communicated by SPMG to its Bank and EA’s Bank, and thus at the end of any given day, the EA’s child account will always have a zero balance.

vi. The State Government will release its share of funds to the SPMG within two months of receipt of the funds in suitable installments from the NMCG. The overall fund flow arrangements shall be ensured as per the ‘Financial Management Manual (FMM)’ of the NGRBA programme framework. The State Government shall make necessary provision for the State share of fund in the State budget.

2.5 Submission of Monthly and Quarterly Physical Progress Report (MPPR/QPPR):

i. The Monthly, Physical Progress Reports (MPPRs) shall be submitted by the 10th day of every month regularly by the EA to the SPMG and by the 20th day of every month regularly by the SPMG to the NMCG. The Quarterly Physical Progress Report (QPPRs) shall be submitted to the SPMG-UP and NMCG within 30 days from the end of each quarter.

ii. The MPPRs in standard format, to be developed by the EA in consultation with SPMG, shall be signed by at least two designated officers of the EA, one of whom will be chief Project Coordinator, UPJN and also by at least two designated officers of the SPMG, one of whom will be the Programme/Project Director.

iii. The signing officers will indicate her/his name and designation in full in capital letters and commencement of processing the case, in- signed MPPR must follow by Post.

iv. Consistency between physical progress and expenditure shall be maintained and reasons for substantial variations i.e., more than 10% shall be appropriately explained against each item.

v. SPMG-UP shall update the progress regularly on monthly, quarterly and annually on the MIS website of NMCG/NGRBA.

2.6 Submission of ‘Accounting and Financial Reports (AFR)’ by the EA:

i. The EA shall furnish monthly ‘Accounting and Financial reports (AFRs)’ by the 10th day of every month with all relevant documents and materials as per the ‘Financial Management Manual (FMM)’ of the NGRBA programme framework after commencement of the project to the SPMG and by the 20th day of every month regularly by the SPMG to the NMCG.

ii. The ‘Accounting and Financial Report (AFR)’ in standard format, to be developed by the EA in consultation with SPMG, shall be signed and stamped by the Head of the Accounts Department and Head of the Organization, UPJN.

iii. The name and designation of the officers signing the AFR shall be clearly mentioned in full and in capital letters. While AFR submitted by fax will be acceptable for commencement of processing the case, ink –signed AFR must follow by Post.

iv. As part of the AFR, the EA shall submit the following to the SPMG:
2.7 Submission of Interim Un-Audited Financial Report (IUFR) by the SPMG:

i. The SPMG shall submit quarterly Interim Un-Audited Financial Report (IUFR) to the NMCG within 30 days from the end of each quarter. The IUFR shall be submitted in standard format as prescribed by the NMCG.

ii. The IUFR shall be signed and stamped by the Head of the Account Department and Programme/Project Director duly countersigned by the State authorities.

iii. The name and designation of the officers signing the IUFR shall be clearly mentioned in full and in capital letters. While IUFR submitted by fax will be acceptable for commencement of processing the case, ink-signed IUFR must follow by Post.

2.8 Submission of Utilization Certificates (UCs):

i. The quarterly Utilisation Certificates (UCs) in the prescribed format (GFR 19A & 19B) shall be furnished by the EA to the SPMG in respect of grant-in-aid received during the various quarters within 30 days from the end of quarter, duly signed and stamped by the Head of the Organization, Head of the Accounts Department and field level functionary at executive engineer level/Principal Investigator, as applicable.

ii. The SPMG shall submit quarterly UCs, duly countersigned and stamped by the Head of the SPMG and the State Authorities within 15 days on receipt of the same from the EA.

2.9 Inspection and Monitoring:

i. The ‘Uttar Pradesh State Ganga River Conservation Authority’ and its Standing Executive Committee shall monitor the project from time to time, ‘Uttar Pradesh Rajya Ganga Nadi Sanrakshan Abhiyana’, the State Programme Management Group (SPMG) shall ensure close monitoring and evaluation of progress of the project, and also monitor implementation performance of the EA.

ii. The SPMG shall ensure appointment of agency(ies) for third party inspection (TPI) / evaluation of the project strictly as per letter No. A-12012/2/2010-NRCD-II dated 16th September, 2010 (Annexure -5 of the ‘Guidelines for preparation of project reports under NRCP/NGRBA’). The EA through the SPMG shall submit copies of the TPI Reports along with their responses/comments to the NMCG.

iii. Releases of fund will be subject to compliance of TPI reports.

City level Citizen’s Monitoring Committees (CMC) shall be constituted in the Allahabad district A to serve as a transparency mechanism on flow of project/ programme related information to citizens and key stakeholders and to garner their feedback on project / programme processes, as described in the NGRBA programmed framework,
iv. Social audit will be conducted by the CMC as per the provisions of the NGRBA programme framework.

v. The NMCG may depute any person to visit the SPMG/ EA for the purpose of monitoring its work and accounts of the SPMG. Full cooperation shall be provided by the executing agency to the persons deputed for inspection.

vi. 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. 261/1/10/2000-Cab., dated 19.8.1998 (kindly visit NGRBA website /Project Monitoring’ for details), mandatory review of the project must be carried out from time to time so as to assess the expenditure trend and time schedule of the project and appropriate action against those responsible for delay shall be taken, in accordance with the instructions.

The Mission Directorate, NMCG may monitor overall progress of project periodically from time to time.