No.J-18/17//11-3-NRCD-II
Government of India
Ministry of Environment & Forests
NATIONAL RIVER CONSERVATION DIRECTORATE

*Paryavaran Bhawan*, C.O.G. Complex,
Lodhi Road, New Delhi-110003
Date: 18th February, 2011

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 proposal of “Prevention of pollution of River Ramganga at Moradabad (Phase-I), Uttar Pradesh” under National Ganga River Basin Authority (NGRBA) at an estimated cost of Rs.279.91 crore (Rupees Two hundred and seventy nine crore and ninety one lakh only) – Release of Grant-in-Aid of 1st installment of Rs.44,96,00,000/- (Rupees Forty four crore and Ninety six lakh only) in favour U.P. Jal Nigam, Lucknow for the financial year 2010-2011.

Sir,

I am directed to convey the sanction of the President to the grant of Administrative Approval and Expenditure Sanction for the project proposal of “Prevention of pollution of River Ramganga at Moradabad (Phase-I), Uttar Pradesh” under National Ganga River Basin Authority (NGRBA) at an estimated cost of Rs.279.91 crore (Rupees Two hundred and seventy nine crore and ninety one lakh only). The cost is to be shared on between Govt. of India and the State Govt. of U.P. The Govt. of India’s share at 70% will be Rs.195.94 crore and the State Govt.’s share at 30% will be Rs.83.97 crore.

2. Sanction of the President is also conveyed to the release of Grant-in-Aid of 1st installment payment of Rs.44,96,00,000/- (Rupees Forty four crore and Ninety six lakhs only) being the 25% of Govt. of India’s share of capital cost in favour of U.P. Jal Nigam, Lucknow for the above mentioned project proposal.

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

4. Administrative Approval and Expenditure Sanction for the scheme is granted subject to the following conditions:-

(i) State Project Monitoring Group (SPMG) for NGRBA projects is required to be registered and notified.
(ii) Any cost escalation, over and above the sanctioned cost, will be the responsibility of the State Govt. as committed by them. The Govt. share of the total project cost shall be limited to Rs. 135.94 crores.

(iii) The period of completion of the scheme is 36 months from the date of this sanction i.e., the project shall be completed by 28.2.2015. 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.

(iv) Operation & Maintenance (O&M) will be the responsibility of the State Govt./Local Body. The cost of O&M for the first 5 years will be shared between GoI & State Government on 70:30 basis, with the O&M cost for the remaining years to be fully borne by the State Government/ULB. The continuation of central funding for O&M after 3 years will be dependent on a review carried out to determine satisfactory achievement of commitments made by ULB in the O&M part, and MoA submitted. Cost overrun for O&M, if any, will also be met by the State Government/ULB.

(v) The State Govt. shall expeditiously release its share of funds corresponding to the GoI release made in the project.

(vi) The choice of technology for sewerage treatment shall be left open during the tendering process by the implementing agency and will be guided by the least life cycle cost and the input technology prescribed. PPCO model to be adopted for STP.

(vii) Design & engineering of the sewerage system and STP based on proper survey and calculations before execution shall be ensured by the State Govt./Implementing agency to ensure economy in the proposals, as well as to avoid any shortfall in the design.

(viii) The State Govt. shall ensure appointment of agency (ies) for third party inspections/monitoring of projects implemented under NGRBA in Uttar Pradesh latest by 31-3-2015. Outcome of third party monitoring will be taken into consideration in processing release of funds.

(ix) Consultations made by the State Govt. & concerned ULB in the Tripartite MoA in the Tripartite MoA signed by them for projects relating to drinking water project execution, evaluation and monitoring at regular intervals for O&M and corresponding reforms shall be strictly adhered to.

(x) Efforts should be made to achieve milestones as indicated in the Annexure. Any short fall as per the present release is indicated in the Annexure will be taken into consideration for the next release of central grant.

(xi) The Government of Uttar Pradesh should also keep in view the following for compliance;

(a) The implementing agencies while implementing the projects, have made suggestions. Issues were addressed by State in the implementation.
(b) Need to establish synergy between NURBA projects and the State sponsored schemes in the town to avoid overlap/duplication.

(c) Sewage works now proposed under the project will form part of City Sewage Plan to be prepared by the State Government.

(d) Service level benchmarking will be ensured by the States/UTs to ensure the highest level of quality for treated sewage/industrial effluents.

(e) The baseline data for characterization of river water would be used to project to the likely improvement of river water quality would be prescribed and regularly monitored.

(f) Monitoring of project deliverables by the PIA is the integral part of the feasibility of PIA. State Govt. to regularly respond to RIS or NRCD for regular monitoring.

(g) DBO (Design Build Operate) will be adhered for the STPs to be constructed.

(h) Treated effluents parameters from the STPs will be regularly monitored ensuring that they meet the discharge standards. The data of STP monitoring would be made available online.

(i) State will ensure effective control of industrial pollution. It would be ensured that the Industries treat their effluents to prescribed standards before discharge into the sewerage system.

(j) State will ensure effective control of Municipal solid waste of the town.

(k) A plan of action for giving 100% connections to sewer network year wise during the implementation period of work shall be prepared and a suitable provision is to be made in the byelaws to enforce compulsory sewer connection and user charges on the beneficiaries in the project area.

(l) State Govt / PIA to ensure stakeholder consultation during implementation. The suggestions made are to be taken care of during implementation stage.

(m) Treated waste water should be reused for irrigation, industrial and other purposes.

(n) Commitments by State Govt/ULBs along with the timelines for utilising D&M of assets with specific reference to commitments on User Charges given by the State Govt under JnNURM to be fulfilled.

(o) Commitments by State Govt to ensure water supply as per MoUD guidelines to that water flow attains self-cleansing velocity.
Following commitments by State/GOI/DJB to be fulfilled:

- Time lines & deadlines
- Preparation TP/3, ensure quality of work & scheduled progress of work
- To sign NCAs by State authorities.
- On time & revenue generation
- Consent given to MoU
- Continuous wastewater monitoring at the outlet of STP
- On time of water supply

(IV) All work/commitments indicated in the ESC Memorandum and its Minutes, compliance with any new guidelines and other documents shall be strictly adhered to in the project implementation and management.

(V) The funds for the project implementation will be released by the GOI in suitable instalments. Each instalment will be released only after scrutiny of the Utilization Certificate, Progress Report in respect of the previous instalment, periodical reconciliation mismatch between the funds released and physical progress achieved, ensuring that the matching share of the State Government, if any, has been released to the implementing agency.

(VI) The Government shall release their corresponding share in the project from funds commensurate with the GOI's release and confirm.

(VII) The release of the GOI share of the project cost will be in appropriate proportion, on the basis of Utilization Certificate in Form GFR-19-A duly signed by the implementing agency, production of Financial Statement and Progress Report showing progress of provisions of contract in terms of percentage.

5. The use of funds is subject to the following terms and conditions:

(i) The instructions as stipulated in the order conveying Administrative Approval & Expenditure (AA&E) shall be in respect of the scheme under the Plan shall be adhered to during execution of the project.

(ii) As the above, the sanctioned cost of the scheme shall be borne by the State Government. The implementing agency has to take this into account while incurring expenditure on the project.

(iii) Funds available to the implementing agencies without delay or diversion.

(iv) The State Government shall take all necessary legal and executive measures to ensure that local bodies, societies, or associations the Operation & Maintenance of the assets created under the River Improvement Project.
v) Appropriate policy initiatives will be taken by the State Government and private and corporate bodies to control pollution including agricultural run-off, industrial effluent and solid waste management.

vi) On receipt of the grant, the grantee/State Government shall be responsible, for the cost of the project, if any. Further interest on cost of grants by the Central Government is released only after the such contribution, if any.

vii) The funds released for the project shall be operated through a separate, interest-earning bank account. The interest thus earned shall be credited to the project account. In the event of Utilization Certificates from time to time and may be adjusted towards future funding of the project. For any diversion of funds, the signatory of the bank account shall be liable.

viii) The Government of India reserves the right to withdraw the sanction and cut-off if it is convinced that the amount released has not been properly utilized or appropriate progress is not being made.

ix) The Implementing Agency is not permitted to seek or utilize funds for the same purpose from any other organization (Government, semi-autonomous or private).

x) The implementing agency shall furnish monthly expenditure statements in the prescribed forms from the commencement of the project. These should be submitted to the NRCD by the 15th of the following month for the preceding month.

xi) 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 'A' to be provided by March
(b) For the 4th Quarter in the prescribed form 'B' to be provided by NRCD.
(c) Utilization certificates will be furnished by the NRCD in respect of grants received in various quarters by the dates indicated as follows:

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<th>Quarter</th>
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<tr>
<td>1st Quarter</td>
<td>April – June</td>
<td>15th August</td>
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<td>2nd Quarter</td>
<td>July – September</td>
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<td>3rd Quarter</td>
<td>October – December</td>
<td>15th February</td>
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<td>4th Quarter</td>
<td>January – March</td>
<td>15th May</td>
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xii) The cost of the scheme will be shared on a 50:50 basis between the Government of India and the State Government. The sanctioned amount shall be spent exclusively therein as per the guidelines of the scheme and within the stipulated time. The liability of NRCD will not exceed the amount sanctioned for the project/scheme. Any spent amount(s) should be submitted to the Directorate. For carrying forward any unspent amounts beyond the specified limit, prior approval of NRCD should be obtained.

xiii) It is the responsibility of the implementing agency to ensure that the assessments are used for the purpose for which the grant was sanctioned and to maintain the accounts and their records properly.
5.1

a) The Audit & Accounts General of India shall be authorized to have the discretion as regards disposal of funds, but shall not be disposed of any funds, unless the same are utilized for the objects for which they were granted.

b) The accounts of the funds, as and when granted, shall be open to Audit by the Ministry.

c) The implementing agency shall furnish to the Ministry an annual report of its work within three months of the end of the year and an audited statement of accounts within nine months of the financial year.

5.2

Remittance of Funds:

All payments by the Ministry are to be remitted by Electronic transfer. The following details should be kept in mind:

- Bank name and IFSC Code of the Beneficiary Bank.
- Bank branch or any other authorization by the Government organization to its bank to receive the funds, to be issued in the bank's name.
- Required bank receipt to the Ministry for the same

5.3

Monthly Physical & Financial Progress Reports (PFPR):

(a) Monthly Physical & Financial Progress Reports (PFPR) in the prescribed format shall be submitted to the Ministry by the designated officer of the implementing Agency, one of whom will be Chief Engineer of the Department.

(b) The PFPR shall be signed by the designated officer, and the signature shall be in full and in capital letters as follows: [Name of the officer] [Signature]

(c) The report shall be submitted within one month of the end of the financial quarter.

5.4

Utilization Certificates (UCs):

All Utilization Certificates (UCs) shall be submitted in the prescribed format to the Ministry. The UCs shall be signed and stamped by the Head of the Finance Department and filed in the Accounts Department and filed in the Accounts Department. The UCs shall be kept in full and in capital letters.
5.5 Project Management & Monitoring:

(a) The State Government will critically and review, implement, update project work and site. The rate of cost overrun leading to delay in implementation of projects is viewed in serious light by the Government and as per instructions contained in Circular No. 261/1/10/2000-Cab. Dated June 4, 2000 with Planning Commission dated 14.01.2015/2/98-PAMD dated 19.8.1998 the State. In the view of the State, it must be ensured that the time to time so as to assess the expenditure and time schedule of the project and appropriate action against those responsible may be taken in accordance with the instructions.

(b) The State River Conservation Authority and its Standing Executive Committee shall monitor the project from time to time.

(c) The State Project Management Group shall be formed shall regularly monitor and report on the implementation issues.

(d) City Level Monitoring Committees shall also be constituted in the city for regular monitoring as per the extant guidelines.

5.6 Inspection:

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

(b) The implementing agency shall maintain separate accounts for each project and it is found expedient to keep a part of the working capital in a bank account in which interest earned has to be reported as a credit to the funds and be adjustable towards further installments of grant.

5.7 Operation & Maintenance:

(a) Assets created under the GAP/ NRM shall be handed over to the local body after completion and construction agency shall continue to maintain assets or contact the local body at such time the local body acquires the necessary expertise for this purpose.

(b) Local communities shall be involved in the operation and maintenance of non-cash schemes.

5.8 Miscellaneous:

Any staff that may be employed for implementation, 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 implementing agency 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.

6. The Drawing and Disbursing Officer, National River Conservation Direction, Ministry of Environment & Forest is hereby authorized to prepare and submit bills for Rs. 40,000/- (Rupees Forty four crore and Ninety six lakhs only) to Pay and Accounts Office, Ministry of
To the Ministry of Environment & Forests, as well as to the Ministry of Finance, an authority of the Government of India, for the utilisation of such assets as deemed fit.

Yours faithfully,

C. (UPRL)

Secretary to the Government of India

8. (MICR Code: 226026002)
9. (IFSC Code: UBIN0530221)

Savings Bank

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Copy forwarded for information and necessary action.

1) DDO (NRCD) (2 copies)
2) Joint Director of Audit-II, Commercial, Scientific and Misc. Works, AGC
   Building, I.P. Estates, New Delhi.
3) The Chief Secretary, Govt. of U.P., Secretariat Annex, Lucknow (UP)
4) Principal Secretary, Department of Urban Development, Govt. of U.P.
   "Bapu Bhawan", Sachivalaya, Lucknow (UP).
5) Special Secretary, Department of Urban Development, Govt. of U.P.
   "Bapu Bhawan", Sachivalaya, Lucknow (UP).
6) Managing Director, U.P. Jal Nigam, 1st Floor, Prataap Marg, Lucknow (UP).
   Lucknow (UP)
7) Chief Engineer (Ganga), U.P. Jal Nigam, 1st Floor, Prataap Marg, Lucknow (UP).
8) Chief Engineer, U.P. Jal Nigam, Banker Road, Lucknow (UP).
9) Municipal Commissioner, Moradabad (UP).
10) District Magistrate, Moradabad (UP).
11) Dir(Fin)/Dir.(KCR)/Dir.(BS)/DD(SS)(ES)/UP (P).

Under Secretary to the Government of India.
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