No. T-12/2015-16/943/NMCG
National Mission for Clean Ganga
Ministry of Water Resources, River Development & Ganga Rejuvenation
Government of India

1st Floor, MDC National Stadium
India Gate, New Delhi – 110002

Dated: - 11th June 2018

To,
The Project Director
UP State Ganga River Conservation Agency,
Government of Uttar Pradesh,
2, Lal Bahadur Shastri Marg,
Lucknow-226001

Subject: Revised Administrative Approval and Expenditure Sanction for the project ‘Rehabilitation/Renovation of Mathura sewerage scheme’ in U.P. State under the ‘Namami Gange’ Programme at a cost of Rs. 460.45 Crores (Four Hundred Sixty Crores and Forty Five Lakh Only) under Hybrid Annuity based PPP mode (Component-A, GoI).

Sir,

I am directed to convey the revised Administrative Approval and Expenditure Sanction (AA & ES) for the project on ‘Rehabilitation/Renovation of Mathura sewerage scheme’ in U.P. State under Namami Gange Programme at estimated cost of Rs. 460.45 crore (Four Hundred Sixty Crores and Forty Five Lakh Only) under Hybrid Annuity based PPP mode with 100% central funding with the following major project components:

a) Construction of 30 MLD STP at Masani
b) Laying of rising main-12.73 km
c) Construction/renovation of sewage Pumping Station (SPS)-9
d) Rehabilitation/renovation of sewage treatment plant (STP)-3 (16 MLD, 14.8 MLD and 6.8 MLD)
e) Nala tapping arrangement including gravity header-20 nos., 4.775 km
f) Construction of 20 MLD TTRO plant, Rising Main and Pumping station for supply of treated waste water to Mathura Refinery of Indian Oil Corporation (IOCL)
g) Operation & maintenance for 15 years

2. The project will be implemented on hybrid annuity based PPP mode. For implementing the project, the Selected Bidder shall incorporate a Special Purpose Vehicle (SPV) – the Concessionaire under Indian Companies Act 2013. The
Concession Agreement shall be entered between UP Jal Nigam, NMCG and the Concessionaire.

3. The summary of project cost is given below and detailed cost break-up is at Annexure-I.

<table>
<thead>
<tr>
<th>S. No</th>
<th>Description of Work</th>
<th>Cost in Rs. Crores</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Costs to be borne by Central Government (Phase-I Rehabilitation/Renovation of Mathura sewerage scheme)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Basic Construction cost</td>
<td>250.68</td>
</tr>
<tr>
<td>2</td>
<td>O &amp; M for STP component for 15 years</td>
<td>104.90</td>
</tr>
<tr>
<td>3</td>
<td>O &amp; M cost for TTRO plant for 15 years to be borne by IOCL</td>
<td>82.37</td>
</tr>
<tr>
<td>4</td>
<td>Others</td>
<td>22.50</td>
</tr>
<tr>
<td></td>
<td>Total Project Cost (A)</td>
<td>460.45</td>
</tr>
</tbody>
</table>

4. The capital works costs are on current prices exclusive of the applicable interest payable on the balance capital payment to be made post commissioning as per concessionaire agreement. The O&M and power costs are as per current prices, and actual payments to be made may vary based on indexation, actual sewage treated etc. in accordance with the concession agreement.

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

6. The period of completion of the project is 24 (Twenty four) months from the date of this sanction, excluding bidding process, award of work, as per Annexure – III, and 15 years Operation & Maintenance.

7. International Finance Corporation (IFC) has been appointed as the Transaction Advisor for facilitating the bidding process on Hybrid Annuity based PPP mode. UPJN is already availing the services of Transaction Advisor for project preparation and procurement. The fee for the services provided by Transaction Advisor in accordance with the Financial Advisory Services Agreement (FASA) shall be paid from the Project Preparation & Supervision charges payable to UPJN.

8. The grantee institution i.e. ‘Uttar Pradesh Rajya Ganga Nadi Sanrakshan Abhikaran’, the State Programme Management Group (SPMG), is an agency 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.

9. NMCG shall appoint a Project Engineer (Owner’s Engineer) for supervision and certification of project progress during construction and operation period. Fees Charges for availing the services of the Project Engineer shall be paid from the from the Project Preparation & Supervision charges payable to UPJN.
10. The ‘Uttar Pradesh Jal Nigam’ is the executing agency for the project to take up I / D, STP and TTRO Works pertaining to pollution abatement of the River Yamuna in the identified areas of Mathura, Uttar Pradesh along river Yamuna on hybrid annuity based PPP model.

11. The compliance with the observations of TPA & NMCG will be ensured by UPJN. Further, UPJN may ensure that there are no overlaps with the works being undertaken by GOUP and obtain necessary NOCs, including land availability, from the State required for the project before awarding the contract.

12. Any procurement of goods, works and consultancy if required by UPJN as part of implementing the project proposal shall be made strictly as per the prevailing procurement guidelines of Govt. of India/NGRBA framework / World Bank guidelines (if applicable).

13. The project will be funded under National Ganga Plan. 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.

14. In case of violation of any of the conditions of the letter of award or in case of closure or dissolution of the executing agency, the Government shall take possession of all the assets of the organization acquired out of the Government funds and use them in any manner deemed appropriate or to recover from the organization the value of such assets at its discretion.

15. The project sanctioned cost will be shared by Central Govt. The share of Central Govt. would be Rs. 460.45 crore only for Rehabilitation /Renovation of Mathura sewerage scheme including O&M for 15 years. Out of which The O & M cost for operation of 20 MLD, TTRO will be borne by IOCL. It has also been agreed that IOCL shall pay a water tariff of Rs 8.70 per kilo liter for the actual water consumed from the TTRO towards the partial funding of the capital cost of TTRO. A separate agreement will be signed between NMCG, IOCL and UP Jal Nigam for this purpose.

16. This AA&ES is issued based on the appraisal and sanction of the Executive Committee (EC) vide its 12th meeting held on 26th May 2018, and under the financial powers delegated vide Statutory Order published vide Notification of Ministry of Water Resources, River Development and Ganga Rejuvenation dated 7th October 2016, with the approval of Director General – National Mission for Clean Ganga and concurrence of Executive Director (Finance) vide Dy. No. ED (F)/2018-19/542 dated 06.06.2018.

Yours faithfully,

(Nityananda Ray)
Deputy Secretary, SMD

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Copy forwarded for information & compliance of below mentioned conditions to:-
1) The Chief Secretary, Government of Uttar Pradesh, Lucknow-226001.
2) The Managing Director, UP Jal Nigam, 6-Maharana Pratap Marg, Lucknow, 226001
3) The Executive Director (Operations), Indian Oil Corporation Limited.

Copy forwarded for information to:-
1) PS to Hon'ble Minister (WR, RD & GR), Shram Shakti Bhawan, N. Delhi-110001
2) PPS to Secretary, MoWR, RD & GR, Shram Shakti Bhawan, New Delhi-110001
3) PS to Director General, NMCG
4) Executive Director (Finance), NMCG, N. Delhi
5) Executive Director (Projects), NMCG, N. Delhi
6) Executive Director (Technical), NMCG, N. Delhi
7) Executive Director (Admin), NMCG, N. Delhi
8) NMCG Officials /Sanction Folder/Guard File/Computer Cell, MIS/ NMCG.
9) Dr. Arun Kumar, Professor, AHEC, IIT Roorkee, Roorkee, Uttarakhand.

(Nityananda Ray)
Deputy Secretary, SMD
Summary of cost of the project proposal of “Rehabilitation/Renovation of Mathura sewerage scheme” in Uttar Pradesh under Namami Gange Programme

<table>
<thead>
<tr>
<th>S.N.</th>
<th>Description</th>
<th>Approved Cost (In Rs. Lakhs )</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>I</td>
<td>Mathura STP Component</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Capital Cost inclusive of all taxes</td>
<td>17,067.00</td>
</tr>
<tr>
<td>B</td>
<td>O &amp; M Cost for 15 year including GST</td>
<td>5,428.80</td>
</tr>
<tr>
<td>C</td>
<td>Power consumption charges</td>
<td>5,061.80</td>
</tr>
<tr>
<td>Total (I)</td>
<td></td>
<td>27,557.60</td>
</tr>
<tr>
<td>II</td>
<td>Mathura TTRO - IOCL Component</td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Capital Cost inclusive of all taxes</td>
<td>8,000.00</td>
</tr>
<tr>
<td>B</td>
<td>O &amp; M Cost for 15 year including GST</td>
<td>3,972.60</td>
</tr>
<tr>
<td>C</td>
<td>Power consumption charges</td>
<td>4,264.87</td>
</tr>
<tr>
<td>Total (II)</td>
<td></td>
<td>16,237.47</td>
</tr>
<tr>
<td>Total ( I + II)</td>
<td></td>
<td>43,795.07</td>
</tr>
<tr>
<td>III</td>
<td>Work on which no centage admissible</td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>Original Cost of Project preparation</td>
<td>439.08</td>
</tr>
<tr>
<td>(ii)</td>
<td>Original Cost of Project Supervision</td>
<td>439.08</td>
</tr>
<tr>
<td>Sub Total ( B)</td>
<td></td>
<td>878.16</td>
</tr>
<tr>
<td>Power connection</td>
<td></td>
<td>485.48</td>
</tr>
<tr>
<td>ESAMP</td>
<td></td>
<td>219.54</td>
</tr>
<tr>
<td>Communication and Public out reach</td>
<td></td>
<td>219.54</td>
</tr>
<tr>
<td>Governance and Accountability ( GAAP)</td>
<td></td>
<td>219.54</td>
</tr>
<tr>
<td>Payments to other departments</td>
<td></td>
<td>228.14</td>
</tr>
<tr>
<td>Total (III)</td>
<td></td>
<td>2,250.40</td>
</tr>
<tr>
<td>IV</td>
<td>Grand total ( I + II + III)</td>
<td>46,045.47</td>
</tr>
</tbody>
</table>

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Conditions on Administrative Approval and Expenditure Sanction for the project on "Rehabilitation/Renovation of Mathura sewerage scheme" at Mathura in Uttar Pradesh under Namami Gange Programme

1.0 General Conditions:

i. 'Uttar Pradesh 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. The Uttar Pradesh Jal Nigam (UPJN) shall be the Executing Agency (EA) for the project to be implemented under Hybrid Annuity based PPP mode. As the provisions laid down in the NGRBA programme framework, under the guidance of the SPMG, and overall monitoring of the National Mission for clean Ganga (NMCG), UPJN shall work in close coordination and consultation with the concerned ULB for successful implementation of the project.

iii. The project will be executed in Hybrid Annuity based PPP model and needs to be suitably aligned with the 'Strategic Sanitation Plan' / 'City Sanitation Plan' / 'Master Plan' for Mathura city. Also, synergy shall be ensured with other Central/State sponsored programme like AMRUT, JnNURM, UIDSSMT etc. in the city of Mathura to avoid any overlap / duplication.

iv. The cost towards 15 years Operation and Maintenance (O & M) has been included in the project cost. However, Operation and Maintenance (O & M) of the project for the period beyond 15 years will be responsibility of the State Government/ Urban Local Body. For encouraging reuse of treated waste water, a MoU with IOCL has been signed. Accordingly IOCL has committed to offtake 20 MLD water from the TTRO developed for the purpose. However other sustainable revenue generation from beneficiaries, re-use of treated effluent and waste to energy etc. shall be encouraged.

v. The project is to be implemented within 24 months excluding bidding period.

vi. State Government/ Executing Agency shall follow the applicable procurement procedures.

vii. The project shall meet treated water quality standard as per applicable standards.

viii. The land for the STP, MPS and any other project requirement will need to be provided by the State Government of Uttar Pradesh.

ix. State Government/ Executing Agency shall comply with all the observations of TPA/ NMCG before bidding and during implementation wherever possible.

x. State Government/ Executing Agency shall generate wastewater flow data (drain), wastewater characteristics and river water quality monitoring through actual monitoring and analysis at regular intervals (at-least monthly basis).

xi. No untreated municipal wastewater should be allowed to fall in the Yamuna River in Mathura district. Further State need to explore the alternatives for the recycling of treated waste water in local settings to reduce fresh water demand.

xii. The activities proposed under the project shall conform to all Environmental Legislations, any judicial orders in force at the site of work and the NGRBA programme framework.
xiii. UPJN shall ensure that the concessionaire shall commence detailed design &
implementation of the works 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 as per CPHEEO
manual.
xiv. Standard procedure as indicated in the CPHEEO manual on Sewerage &
Sewage Treatment and codes of practice of BIS will be strictly followed.
xv. The Executing Agency would take “Consent to Establish” and “Consent to
Operate for STPs from the State Pollution Control Board.
xvi. Progress of implementation of the project shall be closely monitored by the
State Government of Uttar Pradesh /SPMG so as to ensure that the project is
completed within the stipulated period of time.
xvii. 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.
xviii. Any additional component relevant for project or any component require
modification or deletion, may be added or modified or deleted as the case
may be, only with the prior approval of the Competent Authority.
xix. 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 responsibility of the SPMG/ NMCG.
xx. 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.
xxi. All data, records, documents and material related to the project shall be
stored properly and catalogued by the SPMG/ EA for reference and retrieval
including regular uploading/ disclosure/ updating of such data on website.
xxii. 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.
xxiii. The State/ SPMG/ ULB shall ensure that public is informed in the State/ city of
Mathura regarding implementation of the project and soliciting their co-
operation and views as applicable.
xxiv. For the provisions made under IEC activities, the EA/SPMG shall make
suitable arrangements with Nagar Nigam, Mathura for executing the
‘Communication and Public Outreach’ programme under its supervision
towards sensitization of people for abatement of pollution and conservation of
river Yamuna.
xxv. Conditions/ commitments indicated in this Approval, Executive Committee
Memorandum, 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 bid(s) by the EA. Copies of EC Memorandum,
Minutes, appraisal reports, observations and other related documents are
already circulated.
xxvi. ‘Nagar Nigam, Mathura’ i.e. ‘Municipal Corporation of Mathura’ shall be the
Urban Local body (ULB) responsible for ensuring commitment to ownership,
commitment to reforms for sustainable O & M, and community involvement
2.0  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 EA / SPMG to the NMCG for necessary approval and budget allocations.

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

2.2 Financial Aspects:

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

ii. The EA / SPMG is 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.

iii. The sanctioned amount should be spent exclusively thereon as per the scope of the project and within the stipulated time. For carrying forward any work(s)/activities beyond the specified time limit prior approval of the NMCG should be obtained.

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

v. 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.

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 documents and books of accounts (if applicable) of the SPMG/ EA for the purpose of Audit.

ii. The project related documents and books of accounts (if applicable) of the grantee, relating to this grant, shall be open to Audit by the Internal and External Auditor of the EA / SPMG and NMCG.

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:

i. In accordance with the concession agreement, under Hybrid Annuity based PPP mode, 40% of the project capital cost after adjustment for change in price indices, will be paid in installments as and when the Construction milestones are
achieved as per the construction plan submitted by the concessionaire. Balance 60% of the capital cost with applicable interest on balance outstanding as per concession agreement will be paid over the Concession Period of 15 years along with, power charges and Operation & Maintenance (O & M) charges. The concessionaire is entitled to receive quarterly payments of Annuity, Power charges and O & M charges during the concession period. While power charges are treated as pass-through (reimbursable on actual basis), the O & M charges shall be adjusted for variation in price indices as per concession agreement.

ii. Funds for the project implementation will be released by GOI/NMCG in suitable installments and in accordance with the provisions of Concession Agreement through an Escrow Account opened by NMCG for the purpose. NMCG, Project Executing Agency (UPJN), the Concessionaire and the Escrow Bank shall enter into an Escrow Agreement as per the provisions of Concession Agreement. Deposits and withdrawals from the Escrow account shall be in accordance with the provisions of the Escrow Agreement and the Concession Agreement only.

iii. NMCG will deposit and maintain in the Escrow Account, a Minimum Escrow Balance as per the provisions of the Concession Agreement.

iv. During the construction period, the Project Executing Agency shall issue certificate of payment to the Escrow Bank on achievement of construction milestones by the Concessionaire in accordance with the provisions of Concession Agreement.

v. During O & M period the Payment Certificate shall be issued by the Project Executing Agency to the Escrow Bank on achievement of Key Performance Indicators as per the provisions of the Concession Agreement.

vi. Escrow Bank will release payments to the Concessionaire upon the receipt of the Payment certificate issued by the project Executing Agency.

vii. The project Executing Agency / SPMG shall furnish to NMCG, a monthly report showing progress of work and payment made thereupon along with a copy of the Payment Certificate issued to the Escrow Bank during construction and O & M period.

viii. The construction plan shall be as per the milestone construction plan to be submitted by the Concessionaire and approved by UP Jal Nigam.

ix. On completion of construction the project Executing Agency/SPMG shall submit a detailed report on the Completion Cost, total payments made during construction and balance Completion Cost reckoned to be paid as Annuity during the O & M period.

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

i. The Monthly Physical Progress Reports (MPPRs) shall be submitted by the 5th day of every month regularly by the EA to the SPMG and by the 10th day of every month regularly by the SPMG to the NMCG. The Quarterly Physical Progress Reports (QPPRs) shall be submitted to the State Ganga/Yamuna Council 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 affix official seal under the signature. While MPPR submitted by fax
will be acceptable for commencement of processing the case, ink-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.

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 followings to the SPMG/NMCG:

v. Invoices of suppliers/ contractors against which online payment instructions
issued by the EA in the previous month.

vi. A list of invoices received and not paid during the previous month.

vii. A list of contracts signed during the previous month.

2.7 Submission of Utilization Certificates (UCs):

i. The quarterly Utilization Certificates (UCs) in the prescribed format (GFR 19A &
19B) shall be furnished by the EA to the SPMG / NMCG 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.

2.8 Inspection and Monitoring:

i. The 'Uttar Pradesh State Ganga Council' shall ensure close monitoring and
evaluation of progress of the project, and also monitor implementation
performance of the EA.
ii. The EA/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. The EA shall submit copies of the TPI Reports along with their responses/comments to the NMCG. Releases of funds will be subject to compliance of TPI reports.

iii. City level Citizen's Monitoring Committees (CMC) shall be constituted in the Mathura city 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 Programme framework. Social audit will be conducted by the CMC as per the provisions of the NGRBA Programme framework.

iv. NMCG may depute any person to visit the EA/SPMG for the purpose of monitoring its work and accounts of EA/SPMG. Full co-operation shall be provided by the EA to the persons deputed for inspection.

v. 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-Cabinet, dated June 4, 2001 read with Planning Commission's D.O. letter No. O-14015/2/98-PAMD, dated 19.08.1998 (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.

vi. The Director General, NMCG may monitor overall progress of project periodically from time to time.

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