

T-15/2017-18/050/NMCG
Ministry of Water Resource, River Development and Ganga Rejuvenation
National Mission for Clean Ganga (NMCG), NGRBA

1st Floor
Major Dhyan Chand, National Stadium
India Gate, New Delhi-110002
Dated: -17 August 2017

To,
Project Director
SPMG West Bengal
Nagarayan Bhavan (6th floor), DF-8
Sector I, Salt Lake, Kolkata

Sub: Administrative Approval and Expenditure Sanction (AA&ES) for Pollution Abatement & Rehabilitation of Tolly's Nullah (Adi Ganga), Kolkata (Interception & Diversion with PS and STP) in West Bengal State, at a cost of Rs. 30,712.24 Lakhs (Rupees Thirty thousand Seven hundred twelve lakhs and twenty four thousand only)

Sir,

I am directed to convey the Administrative Approval and Expenditure Sanction ((AA&ES) for the project on **"Pollution Abatement & Rehabilitation of Tolly's Nullah (Adi Ganga), Kolkata (Interception & Diversion with PS and STP) in West Bengal State"** under the EAP Component of Namami Gange programme with 100% central sector support at an estimated cost of **Rs 30,712.24 Lakhs (Rupees Thirty thousand Seven hundred twelve lakhs and twenty four thousand only)** with the following Major components.

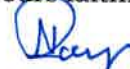
- Development of a 114.20 Km Sewerage Network
 - Pumping/Lifting stations- 19 nos.
 - Sewage Treatment Plant: 4 Nos
 - i. 5.7 MLD Capacity - 1 No.
 - ii. 15.3 MLD Capacity - 1 No
 - iii. 5.06 MLD Capacity -1 No
 - iv. 50 MLD Capacity -1No [Cleaning and minor repair is considered]
 - Dredging
 - 15 year Operation & Maintenance
 - Environment plan during construction and operation phase
2. The total estimate cost of the project is **Rs 30,712.24 Lakhs**. The summary of cost is given in **Annexure-I** with 100% funding under the Central assistance.
 3. The Project will be implemented on the basis of Hybrid Annuity based PPP model.
 4. Administrative Approval and Expenditure Sanction for the project is granted subjected to the conditions as per **Annexure-II**.
 5. The period of completion of the project is 30 (Thirty) months from the date of this sanction (including bidding period). The procurement of goods and services shall be



made strictly as per the 'Procurement Guidelines of the World Bank' incorporated in the 'NGRBA programme framework'. The detailed schedule of the project implementation is given in **Annexure-III**.

6. The grantee institution, 'Urban Development & Municipal Affairs Department (Urban Development Branch)' i.e. 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 Namami Gange 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.
7. The funds for expenditure on the schemes would be debitible to the EAP account of the NMCG up to the 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.
8. 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.
9. This AA&ES is issued based on the appraisal and sanction of the Executive Committee vide its 5th meeting held on 2nd August 2017 and concurrence of ED (Finance) of NMCG Dy. No.472/ED(F)/ dated 14-8-2017.

Yours faithfully,



(Nityanand Ray)
Deputy Secretary, NMCG

Copy forwarded for information and necessary action to:-

- 1) Director General, National Mission for Clean Ganga
- 2) Chief Executive Officer, Kolkata Metropolitan Development Authority (KMDA), Prashashan Bhavan, DD-1 Sector I Salt Lake, Kolkata -700064
- 3) Deputy Director General, National Mission for Clean Ganga
- 4) Executive Director (Projects) , National Mission for Clean Ganga
- 5) Executive Director (Technical), National Mission for Clean Ganga
- 6) Executive Director (Finance), National Mission for Clean Ganga
- 7) Executive Director (Administration), National Mission for Clean Ganga
- 8) NMCG Officials,
- 9) Sanction Folder /Guard File/Computer Cell, NRCD/MIS, NMCG,,

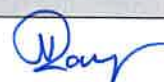


(Nityanand Ray)
Deputy Secretary, NMCG

Annexure-I

Summary of cost of the project for “Pollution Abatement & Rehabilitation of Tolly’s Nullah (Adi Ganga), Kolkata (Interception & Diversion with PS and STP) in West Bengal State including 15 years O&M”:

S.N.	Description of proposal	Capital Cost (Rs. in Lakhs)	O&M Cost (Rs. in Lakhs)
A	S&D Sector--I & D Works etc.		
1	Carrier sewer line from Nala Tapping Point to STP [RCC Box-drain, RCC (NP-4) pipes—250mm dia to 2500 mm dia., DI Class K-9 pipes—200 mm dia. to 100 mm dia. and uPVC Pipes of 160 mm dia] including restoration of roads	11550	
2	Sewage pumping Stations		
	19 Nos combined pumping stations	5250	
3	Sewage Treatment Plant		
a)	1 New 5.7 MLD capacity plant at S&D Zone-2	678	
b)	1 No new 15.3 MLD capacity plant at S&D Zone-3	1580	
c)	1 No new 5.1 MLD capacity plant at S&D Zone-5	602	
d)	Cleaning and minor repair of existing STP	250	
	Sub Total [1+2+3]=	19910	
	Operation & Maintenance Cost of Assets out of S&D Sector—PSs, STPs & I&D works		7150
B	Nullah Cleaning under Metro Station		
	To resort to special technique & strategy for cleansing underneath 5 Nos elevated Metro Stations	68	
C	Dredging		
	Excavation/taking out bed-silt (charged with heavy metals) of the 15.5 Km long stream	1486	
	Adding, A+B +C=D	21464	
E	Centage		
1	Cost of Project Preparation @ 4% as per NGRBA guidelines (Maximum)	799.12	
2	Cost of Supervision @ 4% as per NGRBA guidelines (maximum)	799.12	
	Sub Total ‘E’	1598.24	
F	Cost of Works on which no charges will be admissible		
1	Environmental Management Plan	200	
2	Governance Accountability Action Plan (GAAP), Public outreach, information & communication	300	
	Sub Total ‘F’	500	
		23562.24	7150
	Total Estimated Cost (Rs. in Lakhs)	30,712.24	
In words: Rupees Thirty thousand Seven hundred twelve lakhs and twenty four thousand only)			



Conditions on Administrative Approval and Expenditure Sanction for the project on “Pollution Abatement & Rehabilitation of Tolly’s Nullah (Adi Ganga), Kolkata (Interception & Diversion with PS and STP) in West Bengal State including 15 years O&M”

1. Specific Conditions:

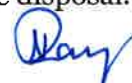
- i. The State Govt. should ensure the availability of land (both IPS and STP) in their possession before the bidding of works.
- ii. All infrastructure projects need to conduct project specific IEC activities and detailed plan for such activities to be submitted to NMCG.
- iii. “Namami Gange” signage to be placed at all the project sites approved under Namami Gange programme.
- iv. Cost of getting statutory clearances will be provided as a reimbursement on the basis of supporting documents.
- v. State government should economize the power cost by exploring other suitable alternatives.
- vi. All the observations of TPA, NMCG and World Bank to be complied along with necessary revisions of design prior to bidding.

2. General & Technical Conditions:

- i. ‘Urban Development & Municipal Affairs Department (Urban Development Branch)’ i.e. 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. Kolkata Municipal Corporation 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 Kolkata Metropolitan Development Authority (KMDA) 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. The Sewage Treatment Plant (STP) will be implemented through Hybrid Annuity based PPP mode with 15 years of Operation and Maintenance (O&M). Necessary bid document shall be prepared in this regard. After 15 years, the operation and maintenance of the plant shall be the responsibility of the state government. Sustainable revenue generation from beneficiaries, re-use of treated effluent and waste to energy etc. shall be encouraged.
- v. The project will be implemented through Hybrid Annuity based PPP modal with Operation and Maintenance support for a period of 15 years. The O&M works would include basic cleaning works, service management for the proposed service area and STP operation. After 15 years, the operation and maintenance of the network shall be the responsibility of the state government.



- vi. The sewerage project at Tolly Nullah needs to be suitably aligned with the "Strategic Sanitation Plan"/"City Sanitation Plan"/"Master Plan" for Kolkata, West Bengal. 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 project is to be implemented within 30 months including bidding period as per the implementation schedule given in **Annexure-III**.
- viii. SPMG need to take steps to prepare bid documents in line with the standard bid documents (SBDs) and in consultation with World Bank & NMCG both for the STP and Sewerage Network on Hybrid Annuity.
- ix. The compliance of observations of the NMCG, World Bank and TPA would be ensured by SPMG/EA at the time of finalization of Bid Document.
- x. The activities proposed under the project shall conform to all Environmental Legislations and the NGRBA programme framework.
- xi. The ESAMP report shall be finalized and submitted to NMCG prior to the submission of bid document.
- xii. Since the STP will be implemented on Hybrid Annuity Mode, the Hybrid Annuity Operator need to submit detailed ESAMP/ESDDR during the project design stage.
- xiii. No untreated municipal wastewater should be allowed to fall in the Ganga river stretch adjoining the project (Tolly Nullah) sewerage zone in West Bengal.
- xiv. 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.
- xv. Standard procedure as indicated in the CPHEEO manual on Sewerage & Sewage Treatment and codes of practice of BIS will be followed during project implementation.
- xvi. Progress of implementation of the project shall be closely monitored by the State Government of West Bengal/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.
- xvii. Any cost escalation or time overrun will be brought to the notice of NMCG. Decision of cost overrun/time overrun will be granted based upon discussion in the EC of NMCG.
- xviii. The project must explore at least reuse 20% of the treated water at initial stages and move towards 50% reuse in a defined time frame.
- xix. The treated sewage must meet the standards prescribed for BOD and coliform and in case where EC has specifically recommended, meet higher standards and disinfect the treated effluent before disposal.



- xx. The condition assessment of the existing civil structures for possible use is to be included in the bid document.
- xxi. The actual project cost shall be the awarded cost. In case the final/negotiated quote of a contract exceeds the estimated cost by more than 10%, the work shall be awarded only after obtaining approval of NMCG.
- xxii. The State is advised to consider charging people on a monthly basis for the sewerage system to recover at-least O&M cost as the charges per household would be quite low. Suitable sewage cess / tariff / tax and sewer connection fee may be imposed on the beneficiaries to recover the O&M at the least to start with. However the full project cost recovery at the earliest should be aimed at.
- xxiii. To impart training to all personnel engaged on construction and O&M for quality construction and O&M of works.
- xxiv. Regular monitoring of the project implementation in accordance with the NGRBA framework.
- xxv. Guidelines issued by Ministry of Finance and other governing organizations regarding disaster management as applicable be adhered to during project execution.
- xxvi. The SPMG shall ensure appointment of agency for third party inspection (TPI)/ evaluation of the project.
- xxvii. World Bank bidding procedure to be followed and prior concurrence of the Bank needs to be obtained for the draft bid documents.
- xxviii. Water supply rate and Sewage generation estimation shall conform to CPHEEO guidelines as per their manual.
- xxix. 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.
- xxx. 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.
- xxxi. 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.
- xxxii. 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.
- xxxiii. 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.



- xxxiv. 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.
- xxxv. The State /SPMG/ULB shall ensure that public is informed in Kolkata regarding implementation of the project and soliciting their cooperation and views as applicable.
- xxxvi. For the provisions made under IEC activities, the SPMG shall make suitable arrangements with Kolkata Municipal Corporation (KMC) for executing the 'Communication and Public Outreach' programmed under its supervision towards sensitization of people for abatement of pollution.
- xxxvii. The all the specific conditions and generic conditions mentioned in the AA&ES are to be complied by the SPMG through their Executing Agency. The SPMG will ensure fulfillment of such conditions before finalizing the bid(s) by the EA.

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 SPMG 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 ensure adequate 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 (IUFs) 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 Electronic 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.
- iii. MICR Code and IFSC Code of the Bank Branch (es).
- iv. The NMCG Bank 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 is issued by the EA to its banker for transfer funds to contractors/suppliers/service providers account on the same date through 'Real Time Gross Settlement (RTGS)', and thus at the end of any given day, the EA 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. O&M costs will be considered for release only after the project is complete.

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 'Urban Development & Municipal Affairs Department (Urban Development Branch), the State Programme Management Group (SPMG))' 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, Kolkata Municipal Corporation 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, 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, Kolkata Municipal Corporation.
- 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:
 - a) Invoices of suppliers /contractors against which online payment instruction issued by the EA in the previous month.
 - b) A list of invoices received and not paid during the previous month.
 - c) A list of contracts signed during the previous month.

2.7 Submission of Interim Un-Audited Financial Report (IUFR) by the SPMG:



- i. The SPMG shall submit quarterly Interim Un-Audited Financial Report (IUFRR) to the NMCG within 30 days from the end of each quarter. The IUFRR shall be submitted in standard format as prescribed by the NMCG.
- ii. The IUFRR shall be signed and stamped by the Head of the Account Department and Programmed /Project Director duly countersigned by the State authorities.
- iii. The name and designation of the officers signing the IUFRR shall be clearly mentioned in full and in capital letters. While IUFRR submitted by fax will be acceptable for commencement of processing the case, ink-signed IFUR must follow by Post.

2.8 Inspection and Monitoring:

- i. The ' Pradesh State Ganga River Conservation Authority' and its Standing Executive Committee shall monitor the project from time to time, Urban Development & Municipal Affairs Department (Urban Development Branch)', the State Programme Management Group (SPMG)', 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). The EA through the SPMG shall submit copies of the TPI Reports along with their responses/comments to the NMCG. Releases of fund will be subject to compliance of TPI reports.
- iii. City level Citizen's Monitoring Committees (CMC) shall be constituted in the Kolkata 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 programmed framework, Social audit will be conducted by the CMC as per the provisions of the NGRBA programme frame work.
- iv. 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.
- v. Director General, NMCG may monitor overall progress of project periodically from time to time.

-----X-----



