

REFORMS 2015-16

1. Type of Reform: **Urban Planning and City Development Plans.**
2. Reform Milestone No 4 (1): Preparation of Service Level Improvement Plan (SLIP), State Annual Action Plans (SAAP) .
3. Status: **ACHIEVED**
4. In case not achieved / partially achieved – Action to be taken and by whom
5. Documents attached: Minutes of 6th Apex Committee Meeting of the Ministry of Urban Development held on 07.01.2016 wherein SLIP and SAAP of Punjab State was approved.


Joint Deputy Director
Department of Local Govt. Punjab

K-14012/180/2015 SC-II
Government of India
Ministry of Urban Development
Smart Cities-IV Division

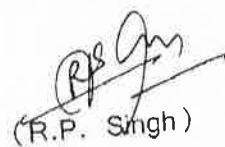
Nirman Bhawan, New Delhi
Dated: 21st January, 2016

OFFICE MEMORANDUM

Subject: 6th Meeting of Apex Committee under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) regarding.

The undersigned is directed to forward herewith the minutes of 6th meeting of Apex Committee held under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) on 07.01.2016 for information and necessary action.

Encls. As above.


(R.P. Singh)

Under Secretary (SC-II)
Telephone: 011-23061407

To,

1. Secretary (Department of Expenditure).
2. Secretary (Department of Economic Affairs).
3. Principal Advisor (HUD), NITI Ayog
4. Secretary (Drinking Water & Sanitation).
5. Secretary (Housing & Urban Poverty Alleviation).
6. Secretary (Environment, Forest & Climate Change).
7. Joint Secretary (PF-II), Department of Expenditure.
8. Joint Secretary & FA, MoUD.
9. OSD (UT), MoUD.
10. Adviser (CPHEEO).
11. Chief Planner, TCPO, Vikas Bhawan, IP Estate, New Delhi.
12. Director, NIUA, India Habitat Centre, New Delhi.
13. Secretary, Local Government Department, Government of Punjab, Chandigarh.
14. Director, Urban Development Department, Government of Uttarakhand, Dehradun.

Copy to:

- i. PSO to Secretary (UD)
- ii. PPS to AS(UD), PPS to AS (SC)
- iii. PS to JS(UD), PS to JS(W), PS to Director (SC-IV).
- iv. Sr. Technical Director (NIC), MoUD, Nirman Bhawan (with request to upload the minutes on the AMRUT website)

Minutes of the 6th Meeting of Apex Committee of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) held on 07.01.2016.

The List of Participants is at Annex- I

At the outset Secretary (UD) welcomed the participants and briefed them about the objectives of the Mission and underlined the need to make out efforts so that the goals of the Mission could be achieved at the end of the Mission especially universal coverage of water supply and sewerage network.

Shri. Neeraj Mandloi, Joint Secretary & Mission Director updated the Committee about the progress made under the Mission and informed the Committee that in today's meeting, the State Annual Action Plans (SAAPs) of two States, namely Punjab and Uttarakhand are for consideration by the Committee. He, thereafter, requested the Secretary (UD) of Punjab to present the SAAP before the Committee, followed by the Govt of Uttarakhand.

Agenda Item No.-1

SAAP of Punjab

Presenting the SAAP, Secretary (Local Government), Govt. of Punjab, gave an outline of urban scenario in Punjab and informed the Committee that 16 AMRUT cities cover about 58% of urban population of the State. Two cities, namely, Amritsar and Ludhiana, are having million plus population. In the Mission cities, the coverage level of water supply varies from 93% to 28% with Mohali having the highest coverage and Khanna, the lowest. Similarly, in sewerage sector the coverage varies from 100% to 43% with SAS Nagar Mohali having 100% and Barnala with lowest coverage of 43%. He further informed the Committee that State also has State Urban Mission and other Schemes being implemented through ADB, and JAICA etc. and the projects proposed under AMRUT will be converged with them. He further informed the Committee that during the Mission period the total proposed investment is about Rs.3915.49 crore with 46% being for Sewerage and Septage Management, 23% for water supply, 30% for urban transport and 1% for Green spaces. The Secretary informed the Committee that the proposed size of State Annual Action Plan (SAAP) for 2015-16 is Rs.720.47 crore. The sector wise proposed

investment for 2015-16 is 51% for water supply, 40% for sewerage sector, 8% for urban transport and 1% for green spaces.

The Secretary (Local Government), Govt. of Punjab, also informed the Committee that a BRTS project was sanctioned under JnNURM is under progress and that the State has proposed to purchase busses for the BRTS, as the same was not proposed under the original BRTS Project and requested for funding the same under the Mission.

The AS(SC) asked about the justification for buses right in the first year of Mission in the light of the fact that the Mission prioritizes the water supply sector and sewerage sector as first charge.

The Secretary (Local Government), Govt. of Punjab, explained that BRTS project which was sanctioned under JnNURM is under progress and after completion of the project, buses will be required to make the system operational.

Secretary (UD), pointed out that though the bus funding under the Mission is eligible it is not the priority sector and therefore diverting the resources to this non-priority sector is not advisable and cannot be considered for approval at this stage. He further advised that State Govt. should first focus on universal coverage of water supply and sewerage sector. He suggested that the State may divert some of its own resources to buses which are other-wise being brought in as convergence in projects eligible under AMRUT and fund such projects under AMRUT.

Secretary (UD) also asked the State Govt. to make effort to achieve the 100% coverage in water supply by 2018-19 instead of proposed 96% coverage during the Mission period.

JS(UD) and Mission director suggested that for development of Green spaces/parks, the State Govt. may consider development of new parks wherever needed along with the development of existing parks with child friendly components.

Director, NitiAayog pointed out that the State has sufficient water availability, even more than 135 lpcd in some cities, which needs to be rationalized. He further pointed out that, In Bhatinda, where coverage of water supply is only 48%, no projects have been proposed. He also stated that the State has not proposed the projects related to drainage, emphasized the need of NRW reduction and re-cycling of water.

The Secretary (Local Government), Govt. of Punjab, stated that Bhatinda is being covered under other scheme of the State Govt. and for re-cycling of water a project in Mohali is being taken up which would be replicated in other cities also.

The Director, Deptt.of Expenditure pointed out that Finance Commission's recommendations have not been implemented by the State Govt. and ULBs need to be made more sustainable. NRW need to be reduced and user charges may be imposed to meet the O&M cost.

The Secretary (Local Government), Govt. of Punjab, stated that the State has taken steps in strengthening the ULB and they are being given share of taxes. The State has also chalked out a plan to impose user charges and by March 2017 meters would be installed for water supply. The State have already notified system of collection of sewer and water charges along with electricity charges with a view to improve collections and ease in compliance..

Deputy Secretary (IFD), stated that buses should not be funded at this stage as it does not fit in the prioritization envisaged in the Mission.

AS(SC), MoUD, suggested that State Govt. should also make plan to shift from use of ground water to use of surface water. State Govt. responded that they are actively considering a long term plan for this.

The Director, NIUA gave presentation on SLIP preparation by the State Govt. and informed that SLIPs have been prepared for all the 16 Mission cities and gap in service level identified on the basis of available data. Provision for O&M for 5 years has been proposed. State Govt. has also proposed for adoption of SCADA System in water supply and to encourage solar power. Director, NIUA also pointed out that in the State NRW is in the range of 26% to 40% and there is no metering for water in the State.

The CPHEEO observed that the progress under SBM is slow. The State Govt. has stated that for 2015-16 target for construction of latrines is 47000. State Govt. has received 70,000 applications and funds for 15000 latrines have been released.

The TCPO observed that three reforms relating to i) devolution of funds; ii) Building bye laws and iii) appointment of financial intermediary has been achieved and others are under implementation. They further pointed out that no time line has been mentioned for reform related to credit rating. JS(UD) advised the State to show the time line for the same and achieve all reforms within prescribed time line to get the 10% incentives.

The JS (UD) and National Mission Director while summarising the discussion proposed that the State HPSC/SLTC may adhere to the following points, especially while considering approval of DPRs by SLTC and proposed that the Committee may consider approval of SAAP of Govt. of Punjab:

- i. The State Govt shall ensure that the works are executed through the ULBs. In case the works are to be executed through para-statal agencies, the process and conditions specified in the Mission in this regard shall be strictly followed.
- ii. State Govt. need to clearly indicate about the availability of Land and other clearances. No projects should be approved by State Level Technical Committee (SLTC) which do not have land available and no work order should be issued till receipt of all clearances from all concerned departments/authorities.
- iii. The proposal for purchase of buses is not approved. The amount proposed for buses may be utilized in water and sanitation sector as per priority by HPEC and to be sent to National Mission Director.
- iv. Keeping the high level of baseline coverage in water as well as sewerage sectors, target indicated in SAAP may be revised so as to attain 100% coverage in water supply and sewerage by 2018-19 instead of 2019-20
- v. Projects related to Drainage may be taken in subsequent years. Recycling/re-use of waste water and reduction of NRW should be given focus while approving DPRs.
- vi. The State Govt. should ensure convergence between the AMRUT, State Mission, ADB funded projects and SBM according to Mission Guidelines.
- vii. Estimates in the SAAP should be based on SSR and not on market rates.
- viii. Implementation of reforms will make States/UTs eligible for annual incentive. In order to get incentives reforms should be broken up into activities with timelines and sent to TCPO by the State Mission Director.
- ix. No incomplete JnNURM projects should be taken up in AMRUT and the SLTC will ensure adherence to the Guidelines.

After detailed discussion and as proposed by Govt. of Punjab to take up two projects of water supply one each in Ludhiana and Pathankot with total cost of Rs.23.30 crore and Rs.13.39 crore respectively and one sewerage project in Hoshiarpur (with total cost of Rs.8.30 crore) in place of urban transport project in Amritsar, the Apex Committee approved the State Annual Action Plan amounting to Rs. 709.66 crore

with Central share of Rs.318.86 crore and State/ULB share of Rs. 390.80 crore. The Apex Committee also approved the release of first instalment of Rs. 63.77 Crore of Central share as per Mission Guidelines. Committee also approved the Central assistance of Rs. 9.87 crore under A&OE head for the year 2015-16.

Agenda item No. 2

SAAP of Uttarakhand

The Additional Director, (UD), Govt. of Uttarakhand gave a presentation on the SAAP of the State. He stated that Uttarakhand is predominantly a hilly State and out of seven Mission cities one city i.e. Dehradun is also shortlisted under Smart City Mission. He further explained that Nainital has not been taken up in the present SAAP as they came to know about the inclusion of Nainital recently.

While presenting the SAAP, the State informed the Committee that they propose to slightly modify the SAAP by dropping one project related to storm water drain in Haridwar and two green space projects in Dehradun to bring the same within limits of 2% tolerance allowed on SAAP size . The total SAAP size of the State for 2015-16 would come down to Rs.269.93 crore out of which State share would be Rs.136.25 crore and Central share would be Rs.133.68 crore.

The Chairman and Secretary (UD) pointed out that adequate funds are available with State Govt. through various other sources like ADB projects, special grant etc. and advised the State to ensure proper convergence and achieving the target of 100% coverage of water supply and sewerage system as soon as possible.

The State Govt. apprised the Committee that projects have been prioritized on the basis of service level gaps identified through SLIPs and accordingly projects in Rudrapur and Kashipur given top priority as service level gap in these two towns are maximum. They further informed that Committee that ADB funded projects are under implementation in Dehradun and Roorkee and in these two cities 100% coverage in water supply will be achieved by 2018.

AS (UD) pointed out that since sufficient funds are available through various sources and a number of projects have already been going on through ADB funding, the 100% coverage in all cities should be achieved by March 2019.

The Additional Director (UD), Govt. of Uttarakhand apprised the Committee that out of 18 functions, 13 have been transferred to ULBs as per recommendation of Finance Commission. Reforms related to E-governance has been achieved and others are

being implemented. Regarding user charges, they informed that presently collection is being made through house tax and in subsequent years they would switch over to metering system.

Director, NIUA, stated that gaps are identified properly and provision for O&M have been made for five years. Disaster related provisions are also proposed to be made. In addition SCADA has been planned in Roorkee and convergence with ADB funded projects has also been proposed.

TCPO observed that updated information has not been provided to them. However, the reforms proposed to be implemented and time line for each reforms have been indicated by the State Govt. in their presentation.

In respect of SBM the State Govt. informed that against the target of 40000 latrines they have received demand for 22000 and 4000 have been identified for sanction. State Govt. is also contemplating a waste to energy plant in Roorkee for solid waste management with the help of a German based company.

Director, Niti Aayog suggested for reduction of NRW and re-cycle/re-use of water and to explore the possibility of implementation of projects on PPP mode.

Director, Deptt. of Expenditure pointed out that Uttarakhand being a eco-sensitive zone, planning should be made accordingly. Also there is no mention of National Action Plan for Climate Change envisaged for sustainable growth of the State. Collection of user charges and septage management may be given adequate focus.

Deputy Secretary, IFD agreed upon the modified SAAP size of Rs.269.93 crore.

JS(UD) and National Mission Director summarizing the discussion requested the State Govt. to take into account the following points made by the Committee while approving the DPRs in SLTC meeting and proposed that the Committee may consider approval of SAAP of Govt. of Uttarakhand:

- i. The State Govt shall ensure that the works are executed through the ULBs. In case the works are to executed through para-statal agencies, the process and conditions specified in the Missin in this regard shall be strictly followed.
- ii. State Govt. needs to clearly indicate about the availability of Land and other clearances. No projects should be approved by State Level Technical Committee (SLTC) which do not have land available and no work order should be issued till receipt of all clearances from all concerned departments/authorities.

- iii. Re-cycling/re-use of waste water and reduction of NRW should be given focus while approving DPRs.
- iv. The State Govt. should ensure convergence between the AMRUT, ADB funded projects and SBM according to Mission Guidelines.
- v. Estimates in the SAAP should be based on SSR and not on market rates.
- vi. Implementation of reforms will make States/UTs eligible for annual incentive. In order to get incentives reforms should be broken up into activities with timelines and sent to TCPO by the State Mission Director.
- vii. No incomplete JnNURM projects should be taken up in AMRUT and the SLTC will ensure adherence to the Guidelines.

After detailed discussion the Apex Committee approved the State Annual Action Plan amounting to Rs. 269.93 crore with Central share of Rs.133.68 crore and release of first instalment of Rs. 26.74 Crore of Central share as per Mission Guidelines. Committee also approved the Central assistance of Rs. 4.14 crore under A&OE head for the year 2015-16.

Agenda Item No. 3

Proposal for release of 2nd installment of ACA for buses sanction during transition phase of JnNURM to Karnataka for its 9 cities.

Apex Committee approved in principle, the release of subsequent instalment for the eligible projects as per Annexure-II subject to furnishing of all requisite documents/papers and examination by IFD.

Summary of decisions of the Apex Committee:

A. State Annual Action Plan (SAAP)

Amt in Rs. crore

| Name of State | Estimated project cost under SAAP for 2015-16 | Central Share | A&OE allocation to State for 2015-16 | Committee's decision/observation |
|---------------|---|---------------|--------------------------------------|--|
| Punjab | 709.66 | 318.86 | 9.87 | Committee approved the SAAP with central share of Rs.318.86 crore towards project cost and release of Rs. 63.77 Crore of Central share. Committee also |

| | | | | |
|-------------|--------|--------|------|--|
| | | | | approved the A&OE allocation of Rs. 9.87 crore. The State Govt. proposal for bus funding under the Mission has not been approved by the Committee. |
| Uttarakhand | 269.93 | 133.68 | 4.14 | Committee approved the SAAP with central share of Rs.133.68 crore towards project cost and release of Rs. 26.74 Crore of Central share. Committee also approve the A&OE allocation of Rs.4.14 crore. |

B. Release of 2nd installment of ACA for buses sanction during transition phase of JnNURM to Karnataka for its 9 cities.

Apex Committee approved in principle, release of subsequent instalment for the eligible projects as per **Annexure-II** subject to furnishing of all requisite documents/papers and examination by IFD.

The meeting ended with a vote of thanks to the Chair.

List of Participant in the meeting of the Apex Committee under AMRUT on 07.01.2016

1. Shri Madhusudan Prasad, Secretary (UD), MoUD Chairman
2. Shri Durga Shankar Mishra, AS (UD), MoUD
3. Dr. Sameer Sharma, Additional Secretary (SC), MoUD
4. Shri Neeraj Mandloi, Joint Secretary (UD), MoUD National Mission Director
5. Shri J.M. Balamurugan, Secretary, Local Govt. Punjab
6. Shri Kumar V. Ptatap, EA, MoUD.
7. Smt. Yashodhara Vijayan, Deputy Secretary, IFD, MoUD.
8. Shri Navneet Pande, Additional Director, Urban, Uttarakhand.
9. Shri Jeetandra Singh, Director, NITI Aayog
10. Shri Jagan Shah, Director, NIUA
11. Shri Shiv Pal Singh, Director, MoUD.
12. Shri Parmod Kumar, Director, MoUD.
13. Shri. R.S. Singh, Director (HFA-I), MoHUPA
14. Shri Chittaranjan Dash, Director, PF-II, DoE, Ministry of Finance.
15. Shri. Manik Chandra Pandit, Deputy Director, Ministry of Finance, DEA.
16. Shri R.P. Singh, US, MoUD.
17. Shri Thingom lalit kumar Singh, US, MoUD.
18. Shri Ravi Pandey, EE, Urban Development, Uttarakhand.
19. Shri R.M. Naik, TCPO.
20. Shri Naresh Kr. Dhiran, Town and Country Planner, TCPO, MoUD.
21. Shri V.P. Singh, General Manager (Project), Punjab.
22. Shri Nupur P. Khanna, Water and Power Consultancy Services (WAPCOS).
23. Shri Subhash Goyal, Water and Power Consultancy Services (WAPCOS).

Release of 2nd installment of ACA for the bus funding projects sanctioned during transition phase (i.e. 2013-14) of JnNURM to Karnataka for its 9 cities of North East Karnataka Road Transport Corporation (NEKRTC).

- Apex committee approved the release of Rs.9,27,57,556/- (Rs. 7,27,37,356/- for buses + Rs.2,00,20,200/- for ancillary infrastructure) to the State Govt. of Karnataka as 2nd installment of ACA for 229 buses sanctioned to 9 cities of NEKRTC and 4 ancillary infrastructure projects to 4 cities as per the details given below:

(Rs. in Cr.)

| S. No. | Cities | 2 nd installment of ACA is to be released for | | Total |
|--------|--------------|--|--------------------------|---------------|
| | | Buses | Ancillary Infrastructure | |
| 1 | Bellary | 0.9548 | 0.5794 | 1.5342 |
| 2 | Bidar | 0.6332 | 0.00 | 0.6332 |
| 3 | Bijapur | 1.1106 | 0.4402 | 1.5508 |
| 4 | Gangavathi | 0.7990 | 0.00 | 0.7990 |
| 5 | Hospet | 0.9548 | 0.00 | 0.9548 |
| 6 | Koppal | 0.6332 | 0.00 | 0.6332 |
| 7 | Raichur | 1.1106 | 0.5180 | 1.6286 |
| 8 | Sindhur | 0.6332 | 0.00 | 0.6332 |
| 9 | Yadgir | 0.4442 | 0.00 | 0.4442 |
| 10. | Gulabarga | 0.00 | 0.4644* | 0.4644 |
| | Total | 7.2736 | 2.0020 | 9.2756 |

*This amount will be released only after buses are procured.

- State Govt. of Karnataka/ NEKRTC will submit the following documents/information before the release of 2nd installment of ACA:
- Commitment from the State Govt. to bear additional 20% liability due to reduction in Gov share from 80% to 60%.
 - Route permission from competent transport authority.
 - Operational tie up for operation of buses.
 - Proof of city permit that have been given to city specific SPV.
