

K-16015/4/2017-AMRUT-1B
Government of India
Ministry of Housing & Urban Affairs
AMRUT-I Division

Nirman Bhawan, New Delhi,
the 31st May, 2019.

OFFICE MEMORANDUM

Sub: Minutes of the 22nd meeting of Apex Committee under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) – Reg.

The undersigned is directed to forward herewith the minutes of the 22nd meeting of Apex Committee under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) held in the Ministry of Housing & Urban Affairs on 16.05.2019 for information and necessary action.

Encls.: As above.



(Rajesh Kumar)

Under Secretary to the Government of India
Tel. No.: 011-23061407

To,

1. Secretary (Department of Expenditure).
2. Secretary (Department of Economic Affairs).
3. Principal Advisor (HUD), NITI Aayog.
4. Secretary (Drinking Water & Sanitation).
5. Secretary (Environment, Forest & Climate Change).
6. Additional Secretary (Housing), MoHUA.
7. Additional Secretary (D&C), MoHUA.
8. Joint Secretary (PF-II), Department of Expenditure.
9. Joint Secretary & Financial Advisor, MoHUA.
10. Joint Secretary (SBM), MoHUA.
11. OSD (UT), MoHUA.
12. Adviser (CPHEEO).
13. Chief Planner, TCPO, Vikas Bhawan, IP Estate, New Delhi.
14. Director, NIUA, India Habitat Centre, New Delhi.

Copy for further necessary action as required to:

1. The Secretary / Principal Secretary, Urban Development Department, All States/UTs.
2. The State Mission Directors (AMRUT), All States/UTs.

Copy for information to:

1. PSO to Secretary (HUA).
2. PS to Joint Secretary (AMRUT).
3. PS to Media Advisor in Office of Hon'ble Minister of State (I/C).
4. PS to Director (AMRUT).
5. PA to Deputy Secretary (AMRUT & IC)/ (AMRUT-R)
6. Deputy Director (AMRUT).
7. Under Secretaries (AMRUT-I, IIA & IIB)
8. Assistant Director (AMRUT).
9. Team Leader, PMU (AMRUT).

Minutes of the 22nd meeting of Apex Committee of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) held 16.05.2019 under the Chairmanship of Secretary (HUA)

The List of Participants is annexed.

The Joint Secretary and National Mission Director welcomed Secretary (Housing and Urban Affairs) and officers from State/ UT Governments.

He outlined the agenda for the meeting and presented progress in project implementation. Discussions on the agenda items were initiated as follows:

Agenda 1. Progress in implementation of AMRUT

Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched by the Hon'ble Prime Minister on 25 June, 2015. The overall progress of the AMRUT Mission was briefly presented by the National Mission Director before the members of the Apex committee to apprise them about the current status.

Out of the total SAAP size of Rs.77,640 crore, works have been completed for 1,544 projects worth Rs.3,757 crore, contracts have been awarded and work in progress for 3,336 projects worth Rs.59,119 crore, 350 projects worth Rs.10,041 crore are under tendering and DPRs worth Rs.8,610 crore are to be tendered. Ministry has already released Rs.18,840 crore including Rs.13,574 crore as Central Assistance (CA) for projects. A total UC of Rs.12,375 crore has already been received by the Ministry. The progress of the Mission is as under:

All amounts in Rupees crore

#	Description	Amount
1.	SAAP I	20,672.37
2.	SAAP II	25,182.16
3.	SAAP III	31,785.50
4.	Total approved SAAP	77,640.03
5.	Work completed	3,757
6.	Contracts awarded and work in progress	59,119
7.	NITs issued	10,041
8.	DPRs Approved and NITs to be issued	7,025
9.	DPRs yet to be approved	1,585
10.	Funds released for implementation of projects for all SAAPs	13,574
11.	Funds released as incentives for Reforms	1,421
12.	Funds released for A&OE to States/UTs	608
13.	Funds released for implementation of GIS based Master Plan sub-scheme of AMRUT	93
14.	UC received against funds released for implementation of projects	9,294
	UC received against funds released for A&OE to States/UTs	399
	UC received against funds released as Reforms incentives to States/UTs	502
	UC received against funds released for GIS based Master-plan sub-scheme of AMRUT	26
	Total UC received	12,375

Decision of Apex Committee:

The Apex Committee was apprised of the progress of the Mission and decided that works may be expedited in all States/UTs.

Agenda 2. Review of non-approval of SAAP-III of 2 States due to non-achievement of milestones

SAAP-III is approved on fulfilling following five milestones by the States:

- a. Award of contracts for 25% of SAAP-I,
- b. Approval of DPRs for 50% of SAAP-I & II,
- c. Transfer of 100% CA and corresponding State share to State Mission Directorate,
- d. Award of Credit Rating work for all Mission cities, and
- e. Employment of PDMC.

SAAP-III has not been approved for the following two States as they have not fulfilled the above criteria:

#	States/UTs	Reason for non-approval of SAAP III
1	Assam	Contract for 25% of SAAP-I not awarded
2	Meghalaya	Contract for 25% of SAAP-I not awarded and DPRs for 50% of SAAP-I & II not approved

The Apex Committee in its last meeting had asked the States to strive for implementation of the Mission in time bound manner. Meghalaya Govt. has sent a proposal stating the difficulties in implementing the projects in sewerage sector and requested for granting approval on modification of SAAPs. MoHUA has requested further comments on the proposal which has been received and the proposal is under consideration in IFD.

Discussion:

Secretary (HUA) asked the State of Assam to apprise about the progress of AMRUT in Assam. The State mentioned that there were no bidders in several previous calls. Now after holding a bidders' conference, tenders worth around 60% of the SAAP size are expected to be awarded after Model Code of Conduct comes to an end.

Decision of Apex Committee:

The Ministry to facilitate the State of Meghalaya to revise the SAAP as per their requirements. Fecal Sludge and Septage Management projects should be encouraged. CPHEEO team may visit the State to handhold them in project planning and tendering.

Agenda 3. Modification in Para 9.5 of Mission guidelines of AMRUT

As per para 9.5 of the Mission guidelines, States/UTs to release Central Assistance (CA) funds to nodal account of SMD within 1 month from date of release of CA; else, penal interest shall be levied for any delay beyond one month and appropriate deductions made from future instalments. As per NITI Aayog's O.M. dated 17.08.2016, provision for penal rate is abolished. Ministry of Finance also confirmed the invalidation of this particular clause of AMRUT guidelines.

Accordingly, Para 9.5 of the Mission guidelines has been suitably modified with the permission of Hon'ble MoS (I/C) as brought out below:

NEW TEXT

The learnings from earlier programmes have pointed to the fact that timely release of project funds by the State Governments is critical to project completion and to ensure that the benefits of the Mission reaches its intended beneficiaries. Therefore, the States/UTs are required to release the CA funds along with State share to the nodal account of the State Mission Director, within one month from the date of release of Central share by MoHUA. ~~Interest at the rate specified by the Ministry of Finance shall be levied on the State for any delay beyond one month and appropriate deductions made from future instalments.~~ The State Mission Director, by adopting the just in time approach of release of funds through PFMS and by tracking the physical progress through UC, can ensure that parking of funds is avoided and funds are released to ULBs on time.

The Apex Committee was apprised of the modification in Para 9.5 of the AMRUT Mission guidelines as brought out above.

Agenda 4. Release of 2nd instalment of committed Central Assistance (CA) to States/UTs

As per Para 9 of the Mission Guidelines, the committed CA will be released to the States/UTs in 3 instalments of 20:40:40. The 1st instalment of 20% of committed CA will be released immediately upon the approval of the SAAPs by the Apex Committee. Accordingly, the 1st instalment of committed CA (20%) had been released to the States/UTs as and when their SAAPs were approved. The 2nd instalment of committed CA (40%) against all 3 SAAPs will be released upon achievement of certain benchmarks as mentioned below.

Major conditions for release of subsequent instalments against all 3 SAAPs:

- i. Total SAAP size to be as per allocation. In case the cost of projects is above the allocation for a State/UT, the entire additional cost has to be incurred by the concerned State/UT.
- ii. Utilisation of at least 75% of the amount already released by the Centre according to the funding pattern.
- iii. Utilization of at least 75% of the State, ULB and Private Sector share.
- iv. Meeting the service level milestones as assured in the roadmap contained in the SAAPs and certified in the report of the Independent Review and Monitoring Agency (IRMA).
- v. Mobilizing the assured resources as given in the SAAP by the States/UTs.
- vi. Fulfilling any other conditions imposed by the SHPSC and the Apex Committee.

Any excess or shortfall in the 1st instalment of 20% released on the basis of estimated cost shall be adjusted while releasing the 2nd / 3rd instalment of CA which will be based on approved cost. The approved cost is the appraised cost or the tendered cost of the project (whichever is less) and has to be taken into account by the SHPSC.

Since 21st Apex committee meeting, following instalments of central assistance have been released:

(a) Rs.30.58 crore, Rs.219.22 crore and Rs.63.75 crore to the States of Himachal Pradesh, Jharkhand and Manipur respectively for all SAAPs. For the State of Jharkhand, Rs.84 crore was released in FY 2018-19 and rest Rs.135.22 crore in FY 2019-20.

(b) Rs.825.71 crore to the State of Maharashtra for SAAP I & II.

(c) Rs.486.03 to the State of Uttar Pradesh for SAAP I of which Rs.260 crore in FY 2018-19 and Rs.226.03 crore in FY 2019-20.

Discussion:

Apex Committee was apprised for ex-post facto approval of the funds released as 2nd instalment of committed CA to the above mentioned States was accorded..

Decision of Apex Committee:

Apex Committee granted ex-post facto approval to funds released as 2nd instalment of CA to the States mentioned above. Apex Committee also decided to delegate its power of approving release of 1st / 2nd / 3rd instalments of CA for implementation of projects under AMRUT to Secretary (HUA) in consultation with IFD (MoHUA). The delegation of power is subject to amendment/modification in the AMRUT Guidelines.

Agenda 5. Modifications in approved SAAPs II & III of Haryana

As per Para 8.4 of the Mission guidelines, the State Mission Directorate is expected to ensure timely award of contracts and start of projects approved under SAAP. It is expected that projects approved under various SAAPs by the Apex Committee must necessarily reach the stage of award of contract within 6 months of the date of Apex Committee approval. The State Mission Directorate shall place before the SHPSC a list of all such projects where contracts have not been awarded within this time limit, for cancelling the projects and also propose viable projects to be taken in lieu of the cancelled projects.

The SHPSC, while considering cancellation and replacement of such non-starter projects, shall consider the overall allocation to the State under AMRUT and approvals granted to projects. After cancellation of non-starter projects, if there is sufficient cushion available to take up new projects and likelihood of their completion during the Mission period (i.e. up to March, 2020), the SHPSC shall approve replacement projects. Careful assessment of project preparedness must be done before approving the replacement project. However, the new projects taken up against the non-starter projects can only be in the priority sectors of AMRUT, namely, water supply and decentralised septage management.

The SHPSC will be competent to approve replacement of projects costing up to 10% of each SAAP. In case replacement of projects beyond this amount is required, approval of the Apex Committee will be sought before the replacement can be done. No expenditure including A&OE expenditure shall be permitted to be booked against any non-starter project.

State Government of Haryana has submitted a proposal, duly approved by SHPSC, for modification in SAAP-II (2016-17) and SAAP-III (2017-20) under AMRUT. There is no change in the total or individual SAAP sizes, i.e., the sizes of SAAPs II & III have been kept fixed at Rs. 525.40 crore and Rs.1582.32 crore respectively.

As regards, SAAP-II, the cancellation of projects is within the 10% of the total SAAP-size and replacement projects are in the priority area i.e. water supply. This is within the power of the SHPSC.

The revision in SAAP-III submitted by the state Government and observation of IFD has been detailed below:

SAAP-III

All amounts in Rs. crore

Sl. No.	Sector	As approved previously by Apex Committee	As proposed for revision	Variation	% variation in sectoral allocations
1	Water Supply	188.16	209.01	+20.85	+11.08%
2	Sewerage & Septage	949.63	1093.50	+143.87	+15.15%
3	Drainage	310.74	270.20	-40.54	-13.04%
4	Urban Transport	61.94	0	-61.94	-100%
5	Parks & Green Spaces	71.85	9.61	-62.24	-86.62%
Total		1582.32	1582.32	0	

Justification of State Government: State Government has submitted that there is increase in provision for water supply and sewerage sector as per requirements as new colonies at various towns have been approved by the state govt. and also due to the reason that some areas have been transferred from HUDA to ULBs. They have further submitted that funds for Urban Transport are not required at present as those works will be done by the state Govt. / ULB from their own resources. Therefore, the savings from Drainage and Green spaces sectors along with Urban Transport sector will be utilize to fund the projects in the water supply and Sewerage sector.

Observation of IFD: The overall variation in this case is 10.41% i.e. just above the limit of 10%. The projects pertaining to urban transport, parks and drainage either have been withdrawn or reduced and the saving has been diverted to water supply and sewerage & septage which are the priority areas. Since the value of projects proposed for modification is more than 10% of the size of SAAP-III, approval of Apex Committee is required.

Government of Haryana assured that the replacement projects prepared in SAAP-III would also be completed by March, 2020. Thereafter, consent to revision in SAAP-III of Haryana was intimated to the State Government after due approval of Secretary (HUA) to the proposed revision.

Decision of Apex Committee:

The Apex Committee accorded post facto approval for modifications in SAAP III of Haryana as mentioned above.

Agenda 6. Funds released for A&OE in 2018-19

In its 21st meeting, Apex Committee granted ex-post facto approval to release a sum of Rs. 139.965 crore to 15 States/UTs for A&OE under AMRUT for FY 2018-19. Thereafter, with the approval of Secretary (HUA) and after fulfilling the criteria laid down under Mission guidelines, Rs. 23.89 crore has been further released to 4 States as mentioned below:

S. No.	State	Amount released (Rs. in crore)
1	Andhra Pradesh	7.02
2	Arunachal Pradesh	0.84
3	Odisha	5.30
4	Rajasthan	10.73
Total		23.89

Decision of Apex Committee:

The Apex Committee granted post-facto approval for release of funds to aforesaid States for A&OE under AMRUT for FY 2018-19.

Agenda 7. Funds released as reform incentive for issuing Municipal Bonds in 2018-19.

As a part of reform incentive, it was decided to incentivise 10 ULBs during 2018-19 at the rate of Rs.13 crore for every Rs.100 crore of Bonds issued and up to a maximum of Rs.26 crore shall be awarded to a ULB for issuing bonds.

In its 21st meeting, Apex Committee granted ex-post facto approval to release a sum of Rs. 59.15 crore to 3 ULBs on the above criteria. Thereafter, 2 more Municipal Corporations have successfully issued Municipal Bonds and with the approval of Secretary (HUA) this Ministry has further released an amount of Rs.52 crore as under:-

(Rupees in crore)

Sl. No.	Name of ULB, State	Bonds issued by Municipal Corporation	Amount released as incentive
1	Ahmedabad Municipality, Gujarat	200.00	26.00
2	Surat Municipality, Gujarat	200.00	26.00
Total		400.00	52.00

Discussion:

Based on the feedbacks from the States/ UTs, the efforts to incentivise the issuance of municipal bonds to be continued for 1 more year i.e. Rs.13 crore to be given to the Mission cities for issuance of municipal bonds for every Rs.100 crore upto a maximum limit of Rs.200 crore in the present financial year as well.

Decision of Apex Committee:

The Apex Committee granted post-facto approval for release of funds to the aforementioned ULBs for Municipal Bonds in 2018-19. The Committee also requested JS & MD (AMRUT) to put up a proposal for extension of the incentive scheme by another year for issuance of

Municipal Bonds. The incentive would form a part of the overall Reform Incentive basket for the current FY.

Agenda 8. Release of funds for formulation of GIS based master-plan sub-scheme under AMRUT.

Release of funds under the sub scheme Formulation of GIS based Master Plan for AMRUT cities:

Sl. No.	Name of State	Funds released (Rs.)	Remarks
1.	Meghalaya	37,91,040	2 nd instalment released on 20.03.2019
2.	Nagaland	64,84,532	2 nd instalment released on 20.03.2019
3.	Rajasthan	3,50,65,516	2 nd instalment released on 08.03.2019
	Total	4,53,41,088	

Discussion:

If, NRSC holds satellite images with higher resolution than 1:4000 or more than 0.5 meter resolution, those may be used for base map preparation.

The Ministry may explore the possibilities to use the drone based technology for procurement of images/ digitisation for GIS integration because of higher resolution at almost similar cost. The matter may be taken up with DGCA.

Decision of Apex Committee:

Apex Committee granted post facto approval to release of funds as mentioned above. Further, the Committee decided that a workshop on GIS mapping may be arranged outside Delhi to handhold States/ cities. Secretary (HUA) to meet the Director, NRSC regarding delay in handing over base maps.

Agenda 9. Any other item with permission of the Chair

1. A small workshop on LAP & TPS may be organised in Goa for southern States.
2. Handbook/ toolkit on LAP & TPS prepared by CEPT to be circulated.
3. The Ministry may roll out the initiative of LAP & TPS for other cities based on further interests from the States/ UTs.
4. Form based planning has paid good dividend outside the country and may be used instead of code based planning being practiced in India.
5. Secretary (HUA) desired to meet the MD, EESL to review the State wise progress on MoU regarding energy audit and replacement of water pumps.
6. The Ministry to quicken the release of 2nd instalment to the States of Haryana, Himachal Pradesh, Nagaland and Sikkim based on their submitted claims. States are requested to resubmit their claims.

ANNEXURE

List of Participants in the meeting of the 22nd Apex Committee under AMRUT held on 16.05.2019.

1. Shri Durga Shanker Mishra, Secretary (HUA) & Chairman (Apex Committee).
2. Shri Manish Thakur, JS & MD (AMRUT)- Member Secretary
3. Smt. Jhanjha Tripathi, JS & FA, MoHUA
4. Shri M. Dhinadhyalan, Adviser (PHEE), CPHEEO, MoHUA.
5. Shri Niraj Verma, Pr. Secy, UD Department, Assam.
6. Shri K. C. Surender, Addnl. Secretary, UD, NCT of Delhi.
7. Shri Anand Mohan Sharan, Pr. Secretary, Local Bodies, Haryana.
8. Shri P. Saxena, Pr. Secretary, UD, Himachal Pradesh.
9. Shri Jyoti Kalash, Addnl. Chief Secretary & Pr. Resident Commissioner, Nagaland.
10. Shri Ashok Kumar, Secretary, LAD, Puducherry.
11. Shri Ajoy Sharma, Secretary, Local Government, Punjab.
12. Shri Sanjay Kumar, Secretary, UD, Uttar Pradesh.
13. Shri Sailesh Bagauli, Secretary, Uttarakhand.
14. Shri Subrata Gupta, Pr. Secy, UD & MA, West Bengal.
15. Shri Swayan Chandhi, Mission Director, Goa
16. Shri Ashok Donge, CMD, TUFIDCO, Tamil Nadu
17. Shri B. Vasanthan, MD, AMRUT, Assam
18. Shri Subhash Goyal, Team Leader, PDMC, Punjab
19. Shri R. Murugan, DGM, TUFIDCO, Tamil Nadu
20. Shri A.K. Mishra, EE cum Nodal Officer AMRUT, Bihar
21. Shri Nehru Pradhan, N.O. (AMRUT) S.E., Sikkim
22. Shri Pankaj Gupta, EEW viii/ DJB, Delhi
23. Shri Ravi Pandey, SE, UDD, Uttarakhand
24. Shri Anuj Kumar Singh, Team Leader, PDMC, Himachal Pradesh
25. Shri A.K.M. Hal, SE (PLG) EDMC, Delhi
26. Shri Z. Kazim, AE (Pr) EDMC, Delhi
27. Shri Sumit, PDMC, Haryana
28. Shri G. Malar Kumar Director, OSD/AMRUT, Puducherry
29. Shri S. Surendra, Addnl. Country Planner, TCPO
30. Naresh K. Dhiran, Town & Country Planner, TCPO
31. Shri Monis Khan, Town & Country Planner, TCPO
32. Shri R. Srinivas, Town & Country Planner, TCPO
33. Shri Poojan Rana, DS, IPF Division, DEA, Ministry of Finance
34. Shri V. P. Singh, Director (AMRUT), MoHUA
35. Shri Suneet Mehta, DS (AMRUT), MoHUA.
36. Shri P. S. Walia, DS (IFD), MoHUA.
37. Shri Pankaj Kumar, US (IFD), MoHUA
38. Shri Rajesh Kumar, US (AMRUT-IB), MoHUA
39. Shri H. C. Prasad, US (AMRUT-II-B), MoHUA
40. Shri Rajeev Kr. Das, US (AMRUT-IIA), MoHUA
41. Smt. Reema Jain, Dy. Director (AMRUT), MoHUA.
