

MINUTES

of

16th EMPOWERED COMMITTEE MEETING

on 23rd January 2018 at 3:00 PM Unnathi Hall, Krishi Bhawan

under

NATIONAL RURBAN MISSION (NRUM)

Ministry of Rurban Development Department of Rural Development Rurban Division

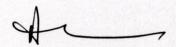
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1.0 Brief facts

The 16th Empowered Committee meeting was held on 23-01-18, under the Chairmanship of Secretary, Ministry of Rural Development, for review and approval of 16 ICAPs from the States of Jharkhand (1), Punjab (5), Sikkim (1), Uttarakhand (1) and Uttar Pradesh (8) were placed in this 16th EC.

2.0 Summary of Investment and CGF placed in the EC

A total of Rs. 1,546.63 crore of Investment has been estimated in these 16 ICAPs, which will make the total investment planned under the Mission to more than Rs 16,000 crore. The CGF eligible for approval for these States is Rs 420.00 crore and the first installment that would be eligible for release as Central Share for these clusters would be Rs 78.30 crore. The summary of the total investment and CGF eligible is placed in the table below:

Table 1: Summary of Investment and CGF placed in 16th EC

Rupees in Crores

	Name of the State	Number & Category of Clusters	Investment Estimated	30% of Investment Estimated	CGF Projected by State	CGF Eligible	Funds through Convergence
1	Jharkhand	1 Tribal	91.60	27.48	15.00	15.00	76.60
2	Punjab	5 Non- Tribal	541.98	162.59	151.41	150.00	390.57
3	Sikkim	1 Hilly	50.00	15.00	15.00	15.00	35.00
4	Uttarakhand	1 Hilly	52.78	15.83	15.05	15.00	37.72
5	Uttar- Pradesh	7 Non- Tribal, 1 Tribal	810.27	243.08	225.33	225.00	584.93
	Total		1546.63	463.98	421.79	420.00	1124.82

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3.0 Details - State Wise

3.1 Jharkhand

3.1.1 Status so Far:

Phase 1: Jharkhand was allocated 2 Non- Tribal and 1 Tribal clusters under Phase 1. The ICAPs, for these clusters have been approved by the EC held in August 2016. Subsequently, the first installment of CGF of Rs 14.19 Crores was released to the State.

3.1.2 Brief Overview of ICAPs presented in the 16th EC

Phase 2- State was allocated 2 Non-Tribal and 3 Tribal clusters. ICAPs for 4 clusters have been approved by the EC held in July 2017. Subsequently, the first installment of CGF of Rs 16.20 Crores was released to the State. The ICAP for 1 cluster of Phase 2, was presented.

The total investment planned for the cluster in this ICAP is Rs 91.60 Crores of which Rs 15.00 Crores would be the approved CGF and Rs. 76.60 Crores is proposed to be mobilized through various synergic State and Central programmes. The summary of investment and CGF planned by Jharkhand is given below:

Table 2: Summary of Investment and CGF-Jharkhand

Rs in Crores

	Name of the Cluster	Investment Estimated	CGF Eligible	Funds through Convergence
1	Dudhbila (Tribal)	91.60	15.00	76.60

The investments planned in the ICAPs for these clusters, aim at developing the thematic strengths in agro-processing, and tourism, while strengthening education infrastructure, taking up skill up-gradation programs and facilitation centres, providing solid waste management facilities, while also simultaneously providing other social and digital amenities in the cluster.

3.1.3 Observations of EC for ICAP under Phase 2 - Jharkhand

The following observations w.r.t the clusters were made by the EC.

- 1. With regard to the Residential Bridge School component, it was confirmed by the State that all funds form the Education department has been discontinued and hence CGF is being utilized for the same. Further, it was confirmed by the State that the Education department consent has been obtained for this component.
- 2. The State was advised to re-consider the CGF fund allocation for the Rainwater Harvesting project component and reallocate these funds to tourism related infrastructure.
- 3. The gap filling funds for Watershed Management may be reallocated under MGNREGA.

3.1.4 Release of CGF 1st installment- Jharkhand -Approval from EC

EC accorded in principle approval of release as given below subject to ensuring the above compliances at the time of second release:

Table 3: CGF First Installment release approved for-Jharkhand

	Name of the Cluster	1st instalment of CGF Eligible
1	Dudhbila (Tribal)	2.70

3.2 Punjab

3.2.1 Status so Far

Phase 1- Punjab was allocated 2 Non-tribal clusters under Phase 1. The ICAPs for these clusters were approved by the EC held in September 2016. Subsequently, the first installment of CGF was released to the State for an amount of Rs 10.80 Crores.

3.2.2 Brief Overview of ICAPs presented in the 16th EC-Punjab

Phase 2- The State was allocated 5 Non-tribal clusters. The total investment planned for the clusters in these ICAPs is Rs 541.98 Crores of which Rs 150.00 Crores would be the eligible CGF and Rs 390.57 crores, is proposed to be mobilized through various synergic State and Central programmes.

The summary of investment and CGF planned by the State is given below:

Table 4: Summary of Investment and CGF- Punjab

Rs in Crores

	Name of the Cluster	Investment Estimated	CGF Projected by State	CGF Eligible	Funds through Convergence
1	Dhandara	116.10	30.01	30.00	86.09
2	Sanghol	112.04	30.27	30.00	81.77
3	Chhola Sahib	100.10	30.10	30.00	70.00
4	Sansarpur	112.46	31.03	30.00	81.43
5	Jalal	101.28	30.00	30.00	71.28
	Total	541.98	151.41	150.00	390.57

The investments planned in these ICAPs aim at developing the thematic strengths in agro-processing, sports, religious and adventure tourism, and making zero waste clusters. There is also substantial investments going into strengthening of basic infrastructure supporting activities such as water supply systems, internal roads, solid waste management, providing stubble burning solutions, public transport, and supporting livelihood activities in agriculture etc, while also simultaneously providing other social and digital amenities.

3.2.3 Observations of EC for ICAP under Phase 2 - Punjab

The following observations w.r.t the clusters were made by the EC:

- 1. SRD desired that funds to Punjab will be released only after State share of Rs. 7.20 crore for the Phase 1 clusters is released from the Treasury to the State RD account.
- 2. The State was directed, at the time of the DPR preparations, to ensure that all projects are able to generate revenue through user charges so as to enaure proper O&M of assets thus created under the scheme. The State is duty bound to ensure that assets are properly utilized henceforth.
- 3. Agricultural Straw Waste Management- It was noted by SRD that Balers have not proved useful. Accordingly the State was advised to review the proposal with regard to equipment to be procured while allowing for Happy Seeders for Straw Waste Management.
- 4. The State is to ensure that the Duckfeed treatment technology is to be used only in Panchayat ponds and not for individual ponds.
- 5. The proposed Liquid Waste Management-FAB Technology: It was noted that the facility should cater to the waste-water generated from the cluster area, and not for treating the waste from the surrounding Municipal areas.

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The State has re-confirmed that this would be only for the cluster population and also that land has been earmarked for this.

- 6. Modality for project implementation and Operation and Maintenance such as PPP or turnkey and options for revenue generation should be detailed out before the implementation commences at the DPR stage.
- 7. In order to ensure the sustainability of facilities being created under the scheme it was noted that it is imperative that proposed plans are discussed with concerned Gram Panchayats and that these will be maintained and looked after by the Gram Panchayats needs to be obtained in the form of resoultions by the concerned Gram Panchayats in the cluster. The State confirmed that the GPs have been consulted and the acceptance for the proposed facilities, including provision of land for these facilities by the Gram Panchayats have been obtained.
- 8. While welcoming the proposed investment plan for Sanghol Cluster, the EC noted that departments of tourism and archaeology should be consulted with earmarking of revenue streams for the Gram panchayats/Govt departments in order to ensure the sustainability.
- Similarly in respect of Cholla Sahib Cluster, since it is religious/tourism based cluster, it would be necessary that other stakeholders such as the SGPC also needs to be involved in project, in order to ensure sustainability of these projects.
- 10. Wherever Capital works are proposed, the O&M plan, along with commitment in writing for user charges and user levy amount needs to be confirmed at the time of DPR preparation and should be approved by SLEC.

3.2.4 Release of CGF 1st installment- Punjab -Approval from EC

EC accorded in principle approval of release as given below subject to ensuring compliance at the time of second release:

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Table 5: CGF First Installment release approved for Punjab Rs in Crores

	Name of the Cluster	1st instalment of CGF Eligible
1	Dhandara	5.40
2	Sanghol	5.40
3	Chhola Sahib	5.40
4	Sansarpur	5.40
5	Jalal	5.40
	TOTAL	27.0

3.3 Sikkim

3.3.1 Status so Far:

Phase 1: Sikkim was allocated 1 Hilly cluster under Phase 1. The ICAP for this cluster was approved by the EC held in September 2016. Subsequently, the first installment of CGF was released to the State for an amount of Rs 4.05 Crores.

3.3.2 Brief Overview of ICAPs presented in the 16th EC

Phase2: The State has been allocated 1 Non-tribal Hilly cluster. The total investment planned for the clusters in these ICAPs is Rs 50.00 crores of which Rs 15.00 Crores would be the approved CGF as this is a Hilly cluster and accordingly, Rs 35.00 crores is proposed to be mobilized through various synergic State and Central programmes. The summary of investment and CGF planned by the State is given below:

Table 6: Summary of Investment and CGF-Sikkim

Rs in Crores

	Name of the Cluster	Investment Estimated	CGF Projected by State	CGF Eligible	Funds through Convergence
1	Namthang (Hilly)	50.00	15.00	15.00	35.00

The investments planned in the ICAP for this cluster aims at accelerating development of infrastructure facilities of water, road and transport leading to better tourism outcomes in the cluster area, While also focusing on skill development and other basic, social and digital amenities.

3.3.3 Observations of EC for ICAP for Sikkim under Phase 2

The following observations w.r.t the clusters were made by the EC.

- 1. The EC expressed its inability to approve the provision of Ambulance for mobile vet service and recommended that the amount allocated for this can be apportioned in the Tourism sector.
- 2. Nearly 37% of the CGF is being directed into road construction and CCFP. The State provided justification that the connectivity between the villages is very essential for improvement in tourist inflows into the cluster. The funds are needed as there is lack of availability of funds for this from other sources. The EC recommended a detailed cost benefit analysis to be provided at the time of DPR preparation, obtain SLEC approval and share with MoRD.
- 3. Investment on substation up-gradation from 10 KVA to 25 KVA needs to be validated with a letter from the Energy Department stating that these funds are required and that these works are required in the cluster.
- 4. The key focus area in the cluster is development of Tourism through homestays. Towards this, strengthening of infrastructure is very vital to attract and retain the tourists. Hence, in this ICAP the State has focused on infrastructure development in water and roads to support tourism footfall.
- 5. As the State has done rigorous planning at all levels right from the GPUs to the District and State level, and the components have emerged after several detailed exercises by the Chief Engineer, Sikkim and the Secretary RD, Sikkim, this ICAP with such emphasis on infrastructure to promote tourism may be allowed. However, this is subject to provision of validation from the concerned departments.
- 6. Although ICAP has been approved in principle, and the first installment of CGF for Rs 4.05 crores has been accorded sanction, the fund disbursement would be realized only after the State share of Rs 45 lacs for the Phase 1 cluster is released to the State Rurban account.

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3.3.4 Release of CGF 1st installment- Sikkim -Approval from EC

EC accorded approval of release as given below subject to ensuring compliance at the time of second release.

Table 7: CGF First Installment release approved for Sikkim - Rs in Crores

	Name of the Cluster	1st instalment of CGF Eligible
1	Namthang	4.05

3.4 Uttarakhand

3.4.1 Status so Far:

Phase 1: Uttarakhand was allocated 2 Non- Tribal Hilly clusters. The ICAPs for these clusters were approved by the EC held in December 2016. Subsequently, the first installment of CGF of Rs 16.20 Crores was released to the State.

3.4.2 Brief Overview of ICAPs presented in the 16th EC

Phase 2- The ICAP for 1 cluster under Phase 2, is being presented. The total investment planned for the cluster in this ICAP is Rs 52.78 Crores of which Rs 15.00 crores would be the approved CGF, being a Hilly cluster and accordingly Rs 37.72 Crores is proposed to be mobilized through various synergic State and Central programmes. The summary of investment and CGF planned by the State is given below:

Table 8: Summary of Investment and CGF-Uttharakhand Rs in Crores

	Name of the Cluster	Investment Estimated	CGF Projected by State	CGF Eligible	Funds through Convergence
1	Dhanolti (Hilly)	52.78	15.05	15.00	37.72

The investments planned in the ICAP for this cluster, aim at developing the cluster as a tourism centre of international repute and promoting eco-friendly infrastructure, while also simultaneously providing for other basic, social and digital amenities in this cluster.

3.4.3 Observations of EC for ICAP under Phase 2 - Uttharakhand

The following observations w.r.t the clusters were made by the EC.

- The cluster has immense untapped tourism potential and this is being developed in the ICAP, by promoting homestay facilities through skilling as well as creation of other tourism facilities.
- 2. The Signages funded through CGF, should have the name board of National Rurban Mission.
- 3. Regarding the Multi Level parking facility proposed for an amount of Rs 4.05 crores for 2 such units, the State has confirmed that Land is available for the facility and the PWD will be the implementing agency, while the Zila-Parishad will maintain the infrastructure. In this, the appropriate model for sharing of funds and revenue generation as well as responsibilities, between ZP and GP should be worked out in detail during the DPR stage.
- 4. Regarding the Home stay facilities, the State has ensured that at the time of implementation, the various operational models would be finalized with Private players and the Tourism Department.

3.4.4 Release of CGF 1st installment- Uttharkhand -Approval from EC

EC accorded in principle approval of release as given below subject to ensuring the above compliances at the time of second release:

Table 9: CGF First Installment release approved for Uttharakhand Rs in Crores

	Name of the Cluster	CGF
	Name of the Cluster	Eligible
1	Dhanolti (Non-Tribal)	4.05

3.5 Uttar Pradesh

3.5.1 Status so Far:

Phase 1: Uttar Pradesh was allocated 8 Non- Tribal clusters under Phase 1. The ICAPs for these clusters have been approved by the EC held in April 2017. Subsequently, the first installment of CGF of Rs 43.12 Crores was released to the State.

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3.5.2 Brief Overview of ICAPs presented in the 16th EC

Under Phase 2, the State was allocated 7 Non-Tribal and 1 Tribal cluster. The total investment planned for the clusters in these ICAPs is Rs 810.27 Crores of which Rs 225.00 Crores would be the approved CGF and Rs 584.93 Crores is proposed to be mobilized through various synergic State and Central programmes. The summary of investment and CGF planned by the State is given below:

Table 10: Summary of Investment and CGF- Uttar Pradesh

Rs in Crores

	Name of the Cluster	Investment Estimated	CGF Projected	CGF Eligible	Funds through
			by State		Convergence
1	Barokhar	104.47	30.02	30.00	74.45
2	Bamhrauli	100.78	30.01	30.00	70.77
3	Chahalwa	102.02	30.02	30.00	72.00
4	Dhaurhara	106.39	30.04	30.00	76.35
5	Haliya	111.78	30.00	30.00	81.78
6	Silana	106.21	30.00	30.00	76.21
7	Urla Jagir	100.59	30.18	30.00	70.4
8	Kodai -(Tribal)	78.03	15.06	15.00	62.97
	Total	810.27	225.33	225.00	584.93

The investments planned in the ICAPs for these clusters, aim at developing the thematic strengths in agri processing, animal husbandry, education, rural and tribal tourism, dairy development, creation of sports hubs and skill training, while also simultaneously providing for other basic, social and digital amenities in all 8 clusters.

3.5.3 Observations of EC for ICAP under Phase 2 - Uttar Pradesh

The following observations w.r.t the clusters were made by the EC.

- All assets created under NRuM should necessarily be accompanied by clear O&M strategies which are duly authenticated by the Gram Sabhas and approved by SLEC.
- 2. Construction of Individual Household Toilets -554 Nos in Haliya cluster for Rs 0.66 Cr will be disallowed from the CGF as under the National Rurban Mission, individual capital subsidies are not permitted.
- 3. The EC stated that the proposed new 33/11 KV station-Nos: 1, for 2.50 Cr in Silana Cluster, would not be permissible under CGF. Hence the State may

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take it under convergence and the excess CGF released may be utilized for any economic activity.

- 4. Provision of electricity line distribution in Haliya cluster for Rs 0.90 Cr may not be permissible under the CGF and this excess/unutilized CGF may be redeployed for any economic activity.
- 5. The State was advised to take up alternate projects in lieu of rain water harvesting project components.
- 6. UP assured that for all Health projects, the health department has confirmed that these activities are not possible to funded under NHM. The EC recommended that an undertaking from health department be obtained so that the assets so created are maintained by the Health Department. This may be furnished at the time of DPR submissions with SLEC approvals.
- 7. In respect of works having machines and equipment sub components, the funding under CGF would be approved if each of these are part of a project such as a comprehensive sewage/water project which would also consider their O&M after the assets are created.

3.5.4. Release of CGF 1st installment- Uttar Pradesh -Approval from EC

EC accorded in principle approval of release as given below subject to ensuring compliances at the time of second release.

Table 11: Approval sought from EC for CGF 1st installment release- Uttar Pradesh Rs in Crores

	Name of the Cluster	1st instalment of CGF Eligible	
1	Barokhar	5.40	
2	Bamhrauli	5.40	
3	Chahalwa	5.40	
4	Dhaurhara	5.40	
5	Haliya	5.40	
6	Silana	5.40	
7	Urla Jagir	5.40	
8	Kodai (Tribal)	2.70	
	Total	40.50	

5.0 Summary of CGF 1st Installment Release- Approval from 16th EC:

As detailed above, for the States of Jharkhand, Uttarakhand and Uttar Pradesh the ICAPs have been approved and the compliances would need to be met before second release.

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However, for the States of Punjab ad Sikkim, the first installment would be met only if the State Share against the first release is credited into respective State RD accounts.

The total Central Share of Critical Gap Funds that would be eligible for release upon approval of the ICAPs is Rs 78.30 crores and the corresponding State Share to be released by the States is Rs 47.70 crores. The State wise release details is summarized in the table below:

Table 12: Summary of Approval sought from 16th EC for CGF 1st installment release

Rs in Crores

	Ks in Cro				
		Central Share	State Share	Total	
I	Punjab (5 Non- Tribal)				
1	Dhandara	5.40	3.60	9.00	
2	Sanghol	5.40	3.60	9.00	
3	Chhola Sahib	5.40	3.60	9.00	
4	Sansarpur	5.40	3.60	9.00	
5	Jalal	5.40	3.60	9.00	
	Total-Punjab	27.00	18.00	45.00	
II	Jharkhand-1 Tribal	2.70	1.80	4.50	
III	Sikkim-1 Hilly	4.05	0.45	4.50	
IV	Uttarakhand-1 Hilly	4.05	0.45	4.50	
v	Uttar Pradesh -7 Non- Tribal, 1 Tribal				
1	Barokhar	5.40	3.60	9.00	
2	Bamhrauli	5.40	3.60	9.00	
3	Chahalwa	5.40	3.60	9.00	
4	Dhaurhara	5.40	3.60	9.00	
5	Haliya	5.40	3.60	9.00	
6	Silana	5.40	3.60	9.00	
7	Urla Jagir	5.40	3.60	9.00	
8	Kodai (Tribal)	2.70	1.80	4.50	
	Total Uttar Pradesh	40.50	27.00	67.50	
	GRAND TOTAL	78.30	47.70	126.00	
