

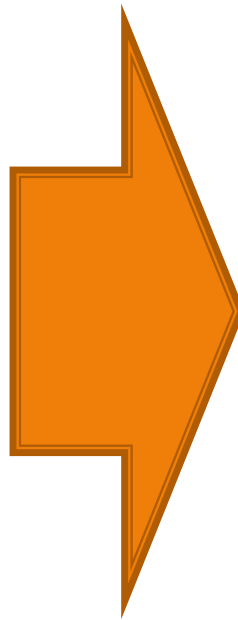
NERUDP

24th June 2013

Status

Key Issues during last NSC

- ▶ High Cost of Bids (40%-80%)
- ▶ Cost Revision
- ▶ Rebidding



21 Packages has been Awarded

4 Packages are under Technical/Financial Evaluation

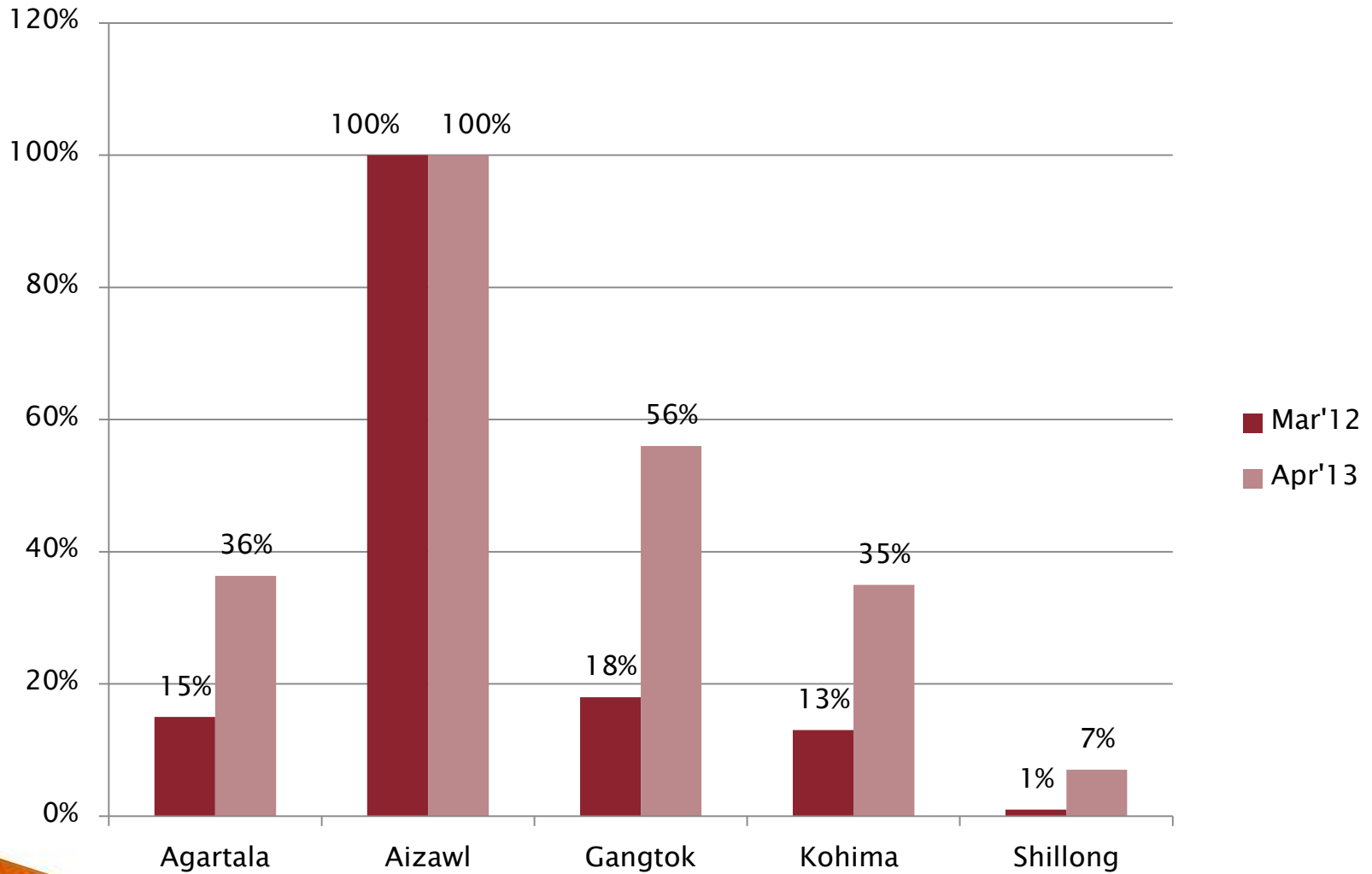
4 Packages are under been rebidding

3 Package will be rebid later

Status of Tranche-I

- Completed in One State.
- Under implementation in four States
- Construction behind schedule by 6 months to a year
- Disbursement is only 38% against the time elapsed of 56%.

Project Progress Tranche-I



Tranche-I (2009-15) Rs. 205 Cr

Focus on Improvements in WS in all five States and Launch of Reforms in Agartala & Shillong

Cities	Projects	No. of packages	Status/Target
Agartala:	Rehabilitation of 22 old and defunct tube wells	One	On going: Three Months
Aizawl	Replacement of 7 reservoirs, 13000 water meters & chlorinators	One	Completed
Gangtok	Setting up of water distribution network in two wards	One	On going, Six Months
Kohima	Refurbishment of WTP, replacement of 18 old & leaky tanks. Setting up of a SLFS for SWM-	Two	On going One year
Shillong	Construction of a sanitary landfill site-	One	On going Nine months

Tranche-II: 2012-15, Rs. 463 Cr

	Type of Project	No. of Packages Sanctioned	No. of Packages Awarded	Status of execution in %
Agartala	WS	8	6	5%
Aizawl	WS	5	4	10%
	SEW	5	4	4%
	Total Aizawl	10	8	7%
Gangtok	WS	3	2	0
	SWM	6	2	0
	Total Gangtok	9	3	0
Kohima	WS	2	1	0
Shillong	SWM	3	2	0
Total		32	21	

Note : Little progress against the time elapsed of 31%

Expenditure Trends

(in Rs Cr)

State	RE 12-13 Proposed by States	Actual 12-13	Cum 10-13	BE 13-14 Proposed by States
Agartala	18.88	6.23	13.21	95.38
Aizawl	22.16	2.41	18.9	49.5
Gangtok	18.66	8.1	10.89	35.17
Kohima	22.08	11.56	20.58	43.34
Shillong	8.72	3.87	10.55	6.33
Total	90.5	32.17	74.13	229.72
Avg/month	8	3	--	19

Note:

- Expenditure needs to increase from **Rs 3 cr/m** to **Rs 19 cr/m** to achieve the BE 13-14.
- 50% of actual in 12-13 is accounted by Consultancy, PIA and taxes.

Overview of NERUDP

Total cost Rs 1371 cr, 3 tranches & 6 yrs (2009–2016)

Tranche	Duration	Allocation	Actual upto June '13	Loans and advances	Status
Tranche-I	2009-2015	205 crore	74 crore	42 crore	Under execution
Tranche-II	2012-2015	463.6 crore	4.5 crore		Under execution
Tranche-III	2014-2016	703 crore	Under preparation		

► Budgetary allocation

BE 2012–13	RE 2012–13	Actual Exp	BE 2013–14
50 Cr	30 Cr	29.95 Cr	50 Cr

Targets Committed

▶ Cash Flow (Rs Cr) for 50 Cr

Month	Amount	Month	Amount	Month	Amount	Month	Amount
April	0.0	July	2.0	Oct	5.0	Jan	4.0
May	2.0	Aug	6.0	Nov	7.0	Feb	4.0
June	3.0	Sept	7.0	Dec	8.0	March	2.0

▶ Next 6 month target (Jun–Nov) committed to ADB by SIPMIUs(Rs Cr):

	Agartala	Aizawal	Gangtok	Kohima	Shillong	Total
Contracting	2.8	102.6	43.77	0	1.98	151.15
Expenditure	23.36	13.98	12.9	21.00	4.57	75.81

Current Issues

- ▶ NERUDP rated as ‘Actual Problem’ project by ADB. Delays in Audit certificates and slow disbursements.
- ▶ Slow disbursement:
 - Delays in award of contracts in Tr-II due to high bid premiums (40% to 100%) and their justification by re-estimation of costs.
 - Delays by State Governments in transfer of funds released by MoUD to SIPMIUs; especially Kohima

Lessons for future procurement

- ▶ Any revision of cost should be done prior and not post opening of financial bid
- ▶ Revision in cost needs to be approved by MoUD
- ▶ Business Opportunity seminars with relevant participants should be undertaken
- ▶ Downloading of bid document should be permitted to encourage greater participation
- ▶ FAQ may be prepared to avoid rejection of bids on technical grounds

Tranche-III

- ▶ It is planned to commence negotiations for Tr-III in March 2014. Extension of MFF to 2019 subject to improved performance
- ▶ Focus of Tr-III (Rs 700 cr) will be on sewerage and SWM
- ▶ SIPMIUs may commence preparations and submit Sub project Appraisal Reports (SARs) and DPRs for review to MoUD
- ▶ Initial Environment Examination(IEE) and safeguards documents to be prepared by SIPMIUs and submitted along with SARs

Thank You

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