

SPEED POST

(241)

GOVERNMENT OF INDIA
NORTH EASTERN COUNCIL SECRETARIAT
NONGRIM HILLS: SHILLONG - 793003

No. NEC/PLAN/I-34/2009

Dated: 15th October, 2009.

*we need to make
bulletin on the website*

To:

1. The Development Commissioner, Planning Department, Govt. of Arunachal Pradesh, Itanagar
2. The Additional Chief Secretary, Planning & Development Department, Govt of Assam, Dispur
3. The Principal Secretary, Planning Department, Govt. of Manipur, Imphal
4. The Principal Secretary, Planning Department, Govt. of Meghalaya, Shillong
5. The Principal Secretary, Planning Department, Govt. of Mizoram, Aizawl
6. The Additional Chief Secretary & Development Commissioner, Planning Department, Govt. of Nagaland, Kohima
7. The Principal Secretary-Cum Development Commissioner, Development Planning, E.R. & NEC Affairs Department Govt. of Sikkim, Tashiling Secretariat, Gangtok
8. The Principal Secretary, Planning Department, Govt. of Tripura, Agartala.

*explore ways
to put in
website if
not done by
the NEC.*

Subject: Scrutiny of DPRs of projects having building/ construction/ civil engineering works components.

19/10/09
D.S. Pota
PO (I.B)

Sir,
The undersigned is directed to inform you that the NEC Secretariat has taken a comprehensive view as regards scrutiny and vetting of DPRs of various projects with construction/ building/ civil engineering works components since, of late, this office has been receiving a number of DPRs of various projects with such components as mentioned above, forwarded by all the Member States of NEC. So far, the same were being forwarded to the Transport & Communication (T&C) Sector of the NEC for due scrutiny and vetting. It may be mentioned here that, transportation and communication being the core competence of the T&C sector, there are various constraints as regards the scrutiny of project proposals relating to building and other construction-related works and their estimates, etc. Besides, with the depletion of engineering staff in the NEC Secretariat, it has become more difficult for the sector to cope up with the ever increasing work of scrutiny and vetting of the DPRs, even from the point of view of requirement of manpower.

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In view of the above, it is felt that the State Governments should get their DPRs scrutinized through the technical institutes in the region. For this purpose, the State Governments are to ensure that all the DPRs sent by them are invariably proof checked and finally vetted by some institutions like Government Engineering Colleges/ IITs or some

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reputed institutions. In the absence of such an institute, the DPRs may be checked by CPWD or other Central Government agencies.

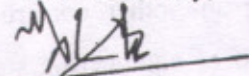
The names of those Government Colleges/ IITs or reputed institutions and Central Government Agencies competent to scrutinize such proposals are given below and this may be treated as an exhaustive list for the purpose.

1. IIT, Guwahati
2. NIT, Silchar
3. NERIST, Itanagar,
4. Assam Engineering College, Guwahati
5. NIT, Agartala
6. National Building Construction Corporation (NBCC)
7. CPWD
8. Jorhat Engineering College, Jorhat, Assam
9. North Bengal Engineering College, Jalpaiguri.

This system is being operationalised to ensure that there is no unnecessary delay in the process of sanctioning projects having building/ construction/ civil engineering works components. Once the State Governments certify and forward such DPRs duly vetted by any of the aforesaid institutions/ organizations, the responsibility as regards the correctness of calculations/ conclusions of such scrutiny and vetting would rest with the concerned institutions/ organization and the State Government. However, if need be, the State Governments may, on a selective basis, request NEC for funding of the work of preparation of DPRs which may be considered in the backdrop of overall constraint of funds at the disposal of NEC. While forwarding proposals from various departments, the Planning Department may please ensure that the guidelines, as given above, have been followed strictly. However, as regards the guidelines for preparation of DPRs, guidelines received from the Ministry of DoNER and that from NEC are placed at Annexure 'A' and 'B' below.

Encl: as above

Yours faithfully,



[S. Mitra]

Director (Planning & Admn)

Guidelines for Preparation of DPR'S

- 1) Although the examination of the DPRs sent to T&C sector is done from technical angle of the structures proposed, the DPR as a whole should be made considering the basic requirement for the project. Before the DPR is sent to T&C sector, the concerned sector must critically check the scope of the work involved. For example, for a training institute if an area of building to the extent of 2000 sq. meter is provided consisting of five halls, the concerned sector must check whether the area and number of halls provided are just enough or not and whether the area provided is based on some established norms.
- 2) The broad specifications for the structures also need to be examined by the concerned sectoral head. For example, if tiles are provided in living area of a hostel, the need must be critically checked by the concerned sectoral head.
- 3) The sectoral head must also ensure that the DPR is prepared by a professional and checked by the line department of the State Govt.
- 4) The sectoral heads would ensure that the DPR is complete in all respect and bound in a booklet form, may be spiral bound, so that no contents of the DPR are not altered easily and the DPR is followed for monitoring at the implementation stage.
- 5) A DPR must contain the following
 - a) An introduction/context giving the background of the project
 - b) Problems to be addressed.
 - c) Justification and objective of the project
 - d) Benefits likely to be accrued from the project to the State Govt and to the NE Region including target beneficiaries.
 - e) Ongoing initiatives and manner in which duplication will be avoided.
 - f) Scope of work including all aspects which will include civil structures, machinery, if any, and any other costs to make the project complete one.
 - g) A write-up as to how the project will be run after the initial investment. For example the cost for running the institute sanction of posts, maintenance of the assets be brought outstanding.
 - h) Financial viability of the project including internal rate of return should be worked out incase there is no return from the project. The justification for the same may be given in detail.
 - i) Environment impact study, if applicable.

- j) The different sources of funding of the project
- k) Yearly fund flow for the project and target date of completion.
- l) Agency which would implement the project be brought on
- m) Sustainability including arrangements of funds, staff and management of post implementations of projects.
- n) Detail architectural drawings duly authenticated by the competent architecture and approved by the PWD/CPWD as the case may be
- o) Bearing capacity of the soil indicating the safe bearing capacity of the soil
- p) Structural drawings based on detailed structural designs duly carried out by the competent engineer and approved by the head of PWD/CPWD/ Engineering Institutes
- q) Bill of quantities worked out based on working drawings/structural designs
- r) Working details of the quantities duly linked up with the drawings
- s) Detail estimates based bill of quantities and latest SOR duly authenticated by the competent engineers head of PWD/CPWD.
- t) Separate details of electrification, water supply, drainage etc duly supported with the drawings etc. A copy of the latest DSR/SOR duly authenticated by the competent engineers of the PWD/CPWD
- u) A key map of the area showing the location of the project in relation to other buildings or land marks in the area.
- v) A details of availability of land for the project indicating whether the land is yet to be acquired or already under acquisition.

6. It may also be appreciated that preparation of DPR and examination of the same need major efforts. It would therefore be most appropriate if approval in-principle of the competent authority/Secretary NEC is obtained before the DPR is made and sent for examination to any institute. Incase the DPR is sent to T&C Sector for any queries, the above requirement may also be completed

before any comments are offered. This will help saving major efforts at all levels.

7. The Sectoral heads must ensure that the DPR submitted by project proponent is authenticated/checked by the implementing agencies like PWD/CPWD, so that implementing agency is held accountable for implementation.

8. Following certificates duly signed by the concerned officers should invariably accompany the DPRs :

a) A certificate to the effect that structural design has been done/checked by me and accordingly all the structural drawings/working have been made

b) Certified that (soil where the structure would be constructed) has been tested for safe bearing capacity and accordingly the design has been made

c) Certified that the estimate for Rs.....lac for the building has been prepared by my deptt strictly as per procedure of the State PWD and latest SoR has been followed

d) Certified that all the items required for completion of the project have been considered in the estimate and no item has been left out. Any new item if added at the time of execution would be done at the cost of the State/Executing agency and the financial effect will not be passed on to the NEC

e) Certified that I have checked the site of the project. The land is available free of all encumbrances. There is no structure on the land for the project.

f) Certified that the project is not funded by any other agency

g) Certified that no part of the project has been executed earlier under any other scheme. The key plan of the area (where the project is to come) is enclosed herewith showing the vacant land and adjacent structures for verification of the ground.

GENERIC STRUCTURE OF THE DETAILED PROJECT REPORT (DPR)

Context/background: This section should provide a brief description of the sector/sub-sector, the State priority, strategy and policy framework as well as brief description of the existing situation.

This section should also provide:

1. The sectoral policy of the State for the sector to which the proposed project belongs.
2. If no sectoral policy is there, then the vision of the State Government in this regard should be given.
3. Has the State Govt prioritized the works in this particular sector as per their importance/requirement?
4. Detailed facts and figures for that sector and the rationale for the particular project should be provided why this project should be chosen over other works in the same sector.
5. How does this project justify to be given priority leaving behind other sectors?
6. Does this have some strategic importance for this state?

Problems to be addressed: This section should elaborate the problems to be addressed through the project/scheme at the local/regional level. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/surveys/reports. Clear evidence should be available regarding the nature and magnitude of the problems to be addressed. In addition this section should also include:

1. How the project dovetails into the long-term sectoral policy of the State?
2. What are the existing benchmarks?
3. Benefits expected to accrue after completion of the project?

Project Objectives: This section should indicate the Development Objectives proposed to be achieved, ranked in order of importance. The deliverables/outputs for each Development

Technology issues: This section should elaborate on technology choices, if any, evaluation of options, as well as the basis for choice of technology for the proposed project.

Management arrangements: Responsibilities of different agencies for project management and implementation should be elaborated. The organization structure at various levels as well as monitoring and coordination arrangements should be spelt out. Simultaneously this section should include following information:

1. The project implementation and monitoring arrangement?
2. Nodal officer?
3. Implementation team?
4. Implementation schedule?
5. Status of readiness of the project for execution indicating the status of availability of administrative and regulatory clearances such as:
 - (a) Forest clearance
 - (b) Acquisition of land
 - (c) Any other clearance required etc. This Chapter will also list out monitoring arrangement proposed.

Means of Finance and Project Budget: This section should focus on means of finance, evaluation of options, project budget, cost estimates and phasing of expenditure. Options for cost sharing and cost recovery (user charges) should be considered and built into the total project cost. Infrastructure projects may be assessed on the basis of the cost of debt finance and the tenor of debt. Options for raising funds through private sector participation should also be considered and built into the project cost.

Time frame: This section should indicate the proposed 'zero' date for commencement and also provide a PERT/CPM chart.

Risk analysis: This section should focus on identification and assessment of project risks and how these are proposed to be mitigated. Risk analysis could include legal / contractual risks, environmental risks, revenue risks, project management risks, regulatory risks, etc.

Evaluation: This section should focus on lessons learnt from evaluation of similar projects implemented in the past. Evaluation arrangements for the project, whether concurrent, mid-term or post-project should be spelt out. It may be noted that continuation of project/schemes from one plan period to another will not be permissible without an independent, in depth evaluation being undertaken.

Success criteria: Success criteria to assess whether the Development Objectives have been achieved should be spelt out in measurable terms. Base-line data should be available against which success of the project will be assessed at the end of the project (Impact assessment). In this regard, it is essential that base-line surveys be undertaken in case of large, beneficiary-oriented projects.

Success criteria for each Deliverable/output of the project should also be specified in measurable terms to assess achievement against proximate goals.

Financial and economic analysis: Financial and economic analysis of the project may be undertaken. This analysis should clearly be able to justify the cost to be incurred on the project and its consequent sanction.

Sustainability: Post-implementation management issues relating to sustainability, including stakeholder commitment, operation and maintenance of assets after project completion, and other related issues should be addressed in this section. The other related issues may be addressed as:

1. The current practice in the State.
2. Budget Provisions made in the past for the similar projects.
3. The post-implementation requirements for the particular project viz.
 - (a) Manpower training needs.

(b) Financial needs etc.

4. Can this project be made self-sustainable in future? If, yes, what are arrangements have been put in place.