

Draft Initial Environmental Examination

October 2014

IND: Infrastructure Development Investment
Program for Tourism Tranche 3—Conservation and
Adaptive Reuse of Colonial Heritage in Kapurthala
(Punjab)

Prepared by the Government of Punjab for the Asian Development Bank.

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India: Infrastructure Development Investment Program for Tourism (Project 3/Tranche 3) State of Punjab



SUBPROJECT APPRAISAL REPORT (SAR) **SAR 13: Conservation and Adaptive Reuse of Colonial Heritage in Kapurthala**

[September, 2014]

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Project Summary Sheet

Infrastructure Development Investment Program for Tourism – Punjab (IDIPT –PB)	
Name of Sub project	Conservation and Adaptive Reuse of Colonial Heritage in Kapurthala
Sub project Town	Kapurthala
Tranche	3
Sector/Output	Output 1: Quality Enhancement of Natural and Cultural Attractions
Sub project objectives	<ul style="list-style-type: none"> • To improve, conserve and manage physical and environmental image of the heritage site/structures with planned interventions consistent to its historic status. • Providing visitor facilities along with protecting the heritage value of the property. • To develop comprehensive landscape plan consisting of softscape, hardscape and lightings to add aesthetics to enrich the site experience. • To highlight the culture of city and create awareness about the historical and religious structures and the values of city. • To enhance the current site experience and disseminate quality knowledge to the visitor. • To make visitor experience hazard free and purposeful
Sub project scope	a. Renovation and Adaptive Re-use of the Buggy Khana; b. Conservation and Adaptive Re-use of the Gulabi Kothi; c. Conservation of Darbar Hall (central building only) d. Conservation ,Restoration and Adaptive Reuse of Gol Kothi including Landscaping, external lighting and visitors facilities, Landscaping Works at Civil Rest House
Sub project components	a. Renovation and Adaptive Re-use of Buggy Khana; <ul style="list-style-type: none"> • Conservation and restoration of the historic building • Adaptive reuse of the building as Urban Hatt which will be the destination as a public space for shopping, cultural activity, traditional food • Landscaping and Site Development b. Conservation and Adaptive Re-use of the Gulabi Kothi; <ul style="list-style-type: none"> • Conservation and restoration of the historic building • Adaptive reuse of the building as Heritage Hotel which will be given on PPP mode. • Site development and landscaping. c. Conservation of Darbar Hall (central building only) <ul style="list-style-type: none"> • Conservation and restoration of the central building. d. Conservation ,Restoration and Adaptive Reuse of Gol Kothi including Landscaping, External Lighting and Visitors Facilities, Civil Rest House – Site development and Landscaping Works <ul style="list-style-type: none"> • Conservation and restoration of Gol Kothi. • Adaptive reuse of the Gol Kothi as Heritage Hotel which will be given on PPP mode. • Site development and landscaping of Gol Kothi and Civil Rest house.
Estimated cost	\$2.53 million

EIRR (%)	27.36%
Executing Agency	Department of Tourism, Punjab
Implementing Agency	Punjab Heritage and Tourism Promotion Board (PHTPB)
Asset Owner	Deputy Commissioner of Kapurthala, Department of Health, Public Works Department (PWD).
Operating Agency	Department of Cultural Affairs, Archaeology and Museums. Punjab
Environment Category	Category 'B'
Resettlement Category	Category 'C'
Indigenous people development	Category 'C'
Readiness: Detailed Design Report Bid documents Initial Environment Examination (IEE) Resettlement Plan	Under preparation Under prepared Prepared and submitted with SAR Not applicable

INTRODUCTION

The Subproject Appraisal Report (SAR) intends to present the projects for enhanced tourism development in the Western Circuit of Punjab state. The tourist clusters are proposed to exhibit improved connectivity, enhanced destination and site environment and tourist support infrastructure, enhanced protection and management of key natural and cultural heritage tourism sites, and enhanced capacities for sustainable destination and site development with extensive participation by the private sector and local communities.

The SAR focuses on enhanced protection and management of natural and cultural tourism attractions at tourist sites of Kapurthala District (Punjab State). The main objective of the SAR is to conserve the existing historical structures with planned interventions. Similarly, various subprojects which can support tourism development in the tourist circuit have been selected across the state for implementation. This SAR in the Western Circuit comprises the following components:

- a. Renovation and Adaptive Re-use of Buggy Khana;**
- b. Conservation and Adaptive Re-use of the Gulabi Kothi;**
- c. Conservation of Darbar Hall (central building only);**
- d. Conservation, Restoration and Adaptive Reuse of Gol Kothi including Landscaping, External Lighting and Visitors Facilities, Landscaping Works at Civil Rest House**

SUBPROJECT APPRAISAL REPORT (SAR)

1. SUBPROJECT NAME	Conservation and adaptive reuse of colonial heritage in Kapurthala
2. SUBPROJECT TOWN	Kapurthala
3. TRANCHE	Project-3
4. SUB-SECTOR	<div> <input type="checkbox"/> Water supply <input type="checkbox"/> Sewerage and sanitation </div> <div> <input type="checkbox"/> Solid waste management <input type="checkbox"/> Drainage </div> <div> <input type="checkbox"/> Urban road and transportation <input type="checkbox"/> Connectivity Improvement </div> <div> <input checked="" type="checkbox"/> Conservation and heritage <input checked="" type="checkbox"/> Natural and cultural attractions. </div> <div> <input type="checkbox"/> Community based activities <input checked="" type="checkbox"/> Public amenities and parking's </div> <div> <input type="checkbox"/> Community Participation <input type="checkbox"/> Slum upgrading </div>
	<i>Output-1: Quality Enhancement of Natural and Cultural Attractions</i>
5. INTRODUCTION AND RATIONALE	<p>A. Background</p> <p>The subproject is part of Western Circuit. The project aims to conserve the heritage sites with enhanced protection and management in Kapurthala District.</p> <p>The western corridor, which is located in the northwestern segment of the state includes the districts of Amritsar, Gurdaspur and Kapurthala. The area borders Pakistan in the west and the River Beas flows through the eastern portion. Kapurthala district is part of the Sikh Heritage Trail and the Grand Trunk Trail and Imperial Highway, identified under United Nations World Tourism Organization (UNWTO) Master Plan, (Source: As per Punjab Tourism Development Master Plan, 2008-2023; UNWTO).</p> <p>The subprojects identified under the project are:</p> <ol style="list-style-type: none"> Renovation and Adaptive Re-use of Buggay Khana; Conservation and Adaptive Re-use of the Gulabi Kothi Conservation of Darbar Hall (central building only) Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House <p>Introduction</p> <p>Kapurthala district is situated 163 km to the west of Chandigarh city. It was the capital of Kapurthala state, a princely state in British India known for "Palaces and Gardens". The royal history of Kapurthala dates back to 11th century. The city of Kapurthala can be accessed through the National Highway 1.</p> <p>The history of the place is linked to Ahluwalia dynasty whose most prominent ruler was Jassa Singh and was succeeded by names like Nihal Singh, Fateh Singh, and Jagatjit Singh. The city took prominent part in Tirah expedition that took place in final years of nineteenth century.</p>

Despite of having progressed in its outlook, the city has remained successful in carrying out its regal heritage which is preserved very well. Its cultural ethos is reflected in its ancient monuments and is a magnificent example of secularism. The city of Kapurthala has several buildings and places of interest linked to its local history such as Sainik school (formerly Jagatjit Palace, Shalamar Bagh, District court buildings, Moorish Mosque, Panch Mandir, State Gurudwara, Guru Nanak sports Stadium, Jagatjit club and the NJSA Government college. The sites proposed in subproject owe proximity to the Mall road of the city and are connected with arterial roads.

Besides the heritage buildings concentrated in the city centre, some of the other existing and potential tourism sites in Kapurthala include the Science City, the Rail Coach factory, and the Kanjli Wildlife Wetlands. About 25 km southwest of Kapurthala and linked by the Kali Bein is Sultanpur Lodhi, an important pilgrimage site of the Sikh religion. The accessibility of the two towns to each other presents opportunities for establishing tour packages that include sites in both towns.

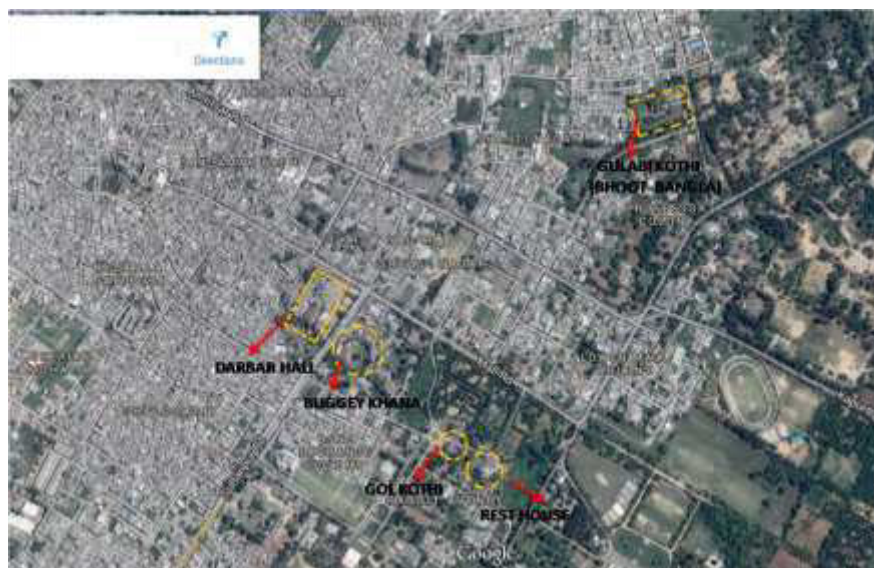


Figure 1: Location plan of all sites at Kapurthala

The subproject includes following components:

a. Renovation and Adaptive Reuse of Buggy Khana

Buggey Khana is the exceptional stable and coach-house complex of the former Maharajas of Kapurthala. It is remarkable especially, for its concentric, circular plan. With the exception of the outer gatehouse, which faces westwards to the Darbar Hall, the entire complex is single-storied, brick-built and vaulted and flat-roofed. Buggey Khana is a circular building with multiple cells all along which were used as horse stables. It is

situated on the road connecting to the Mall Road, opposite to the entrance of Darbar Hall. The entrance of Buggery Khana is towards north-west direction. The area along its periphery towards north and east directions are encroached by residential buildings while the buildings crossing it are mainly institutional and commercial in nature. Though the structure dates to the later 19th century it is constructed in a Regency Gothic style.

b. Conservation and Adaptive Re-use of the Gulabi Kothi

The Gulabi Kothi (Bhoot Bangla) is a century old building which was used to be the army headquarters before partition. This elegant model of French architecture is situated on the Kanjli Road. This building was surrounded by dense forest and no one other than the soldiers was allowed to enter it, for the reason people started calling it the Bhoot Bangla. On ground floor, there used to be a big hall consisting of two rooms, one each on both sides of the hall housing the offices of Generals of Paramjeet Infantry and Jagatjeet Infantry. General Dyer had also a brief stint here. The roofs of four minarets built in the corners of the building were sentry picket. Sometimes, underground rooms were used as a jail.

c. Conservation of Darbar Hall (Central Building only)


The Darbar Hall is an enormous and majestic building of national importance, which dominates the central part of the city of Kapurthala. It is a place where Indian Kings had their formal and informal meetings. Constructed in Mughal style, Darbar Hall is one of the spectacular pieces of art. A portion of the Hall was built in 1889. The simplicity and grace that adorns its doors and windows, typical of almost all the mosques, are its characteristics. The central hall namely Darbar Hall is vacant and need conservation.

d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House

Gol Kothi was built by Raja Fateh Singh in the year 1833 A.D. It is a State Protected monument under "The Punjab Ancient & Historical Monuments and was originally known as Kamra Kothi. The Kothi was used as a residential space by kings Fateh Singh, Nihal Singh, Randhir Singh and Kharak Singh. It is situated adjacent to the major round-about close to Kamra bagh. Towards the west and south directions of the site are residential buildings while immediate North and South sides of the site, there are residences of important government officials.

	<p>Civil Rest house is government building adjoining Gol Kothi. The building of Civil Rest House was built by Raja Randhir Singh in 1863 is in a deplorable condition.</p> <p>B. What is the need, i.e. demand-supply gap?</p> <p>The sites selected for conservation and provision of visitor amenities are part of Kapurthala district of Punjab state. The district is part of Western Circuit. According to the UNWTO estimates, the total tourists visited Western Circuit in 2007 is 1.72 million with a total forecast of 4 million in 2018. Tourists in circuit spent a total of \$US 87.3 million in 2007 which is estimated \$US 203.9 million by 2018. In Kapurthala district the estimated tourist expenditure is \$US 5.81million, (<i>Source: As per Punjab Tourism Development Master Plan, 2008-2023, UNWTO</i>).</p> <p>The sites identified for enhanced protection and management of natural and cultural tourism assets are located in close proximity at a distance of 1.5 km within the Kapurthala city. The total tourist flow to Kapurthala city is 300 persons per day, which is anticipated to increase with the development of tourist sites in the entire circuit. These sites are important due to their historical importance and cultural settings.</p> <p>Demand and supply gap for subproject sites is as follows:</p> <p>a. Renovation and adaptive Re-use of Bugey Khana</p> <ul style="list-style-type: none"> • The site is used as an Office of the Vigilance Bureau. Though being in use, the structure is maintained regularly. The works envisaged are mainly for the structures lying vacant with minor refurbishments in space utilized by the Department. However, the Department of Vigilance Bureau plans to shift to its new premises which are presently under construction. The building will be vacated soon for conservation and restoration works, for which the NOC has also been received. • Abandoning the structure vacant, shall lead to its deterioration. Hence the conservation and restoration works are proposed for its adaptive reuse. <i>As recommended in the UNWTO Master Plan, this building is envisaged to be a heritage mall with boutique shops and coffee houses.</i> • The cells of building which are not in use face problem of water seepage. • The terraces of buildings have completely deteriorated, resulting in water percolation in almost all the rooms. • Vegetative growth and root penetration is causing cracks in walls. • Inadequate maintenance of green areas.
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	<p>b. Conservation and Adaptive Re-use of the Gulabi Kothi</p> <ul style="list-style-type: none"> • Abandoning of the structure and keeping structure vacant shall lead to its deterioration. • The building resembles to French Architecture and attracts tourist which also shows princely state culture. • The first floor of the building has been considered as unsafe and is not under possession. • The structure is not stable and in poor condition, with some evidence of water-ingress and dampness • The structure needs an urgent conservation. <p>c. Conservation of Darbar Hall (central building only)</p> <ul style="list-style-type: none"> • Darbar Hall, located in the heart of the city, is a magnificent structure boasting of Indo-Saracenic architecture, which needs to be showcased. • The two parts of the building, at present are being used as a district court, revenue and administration department. • The condition of building appears not to be in a good state. • Need to conserve and restore the central building, mainly outer and inner facades and surrounding around area, in order to preserve its historical importance. • The structure is stable but in poor condition, with some evidence of water-ingress and dampness. • There are a number of individual areas where decay is accelerating and where there have been localized failures, water penetration, plant growth, etc. • Considerable structural damage due to termite attack. <p>d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House</p> <ul style="list-style-type: none"> • The Gol Kothi is a structure of very considerable quality and significance. The structure has been affected due to the neglect resulting in decay and structural weakness. • The structure has been experiencing number of collapses, notably pavilion to the SE, and on the west side. • The structure has been experiencing deterioration with areas of water ingress and termite activity. • The original roof overall has been removed in most areas and a reinforced concrete slab substituted, this slab often cuts across internal decoration and detail. • Inadequate maintenance of areas surrounding the Gol Kothi. • The site of Civil Rest House is adjacent to Gol Kothi, which is proposed to provide tourist facilities such as food court, toilets and parkings for BOVs and Eco cabs.
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	<p>C. What are the reasons for demand-supply gap?</p> <ul style="list-style-type: none"> • Overburdened local bodies with other priorities. • Lack of capacity of local body. • Inadequate information and awareness on interventions. • Inadequate funds. <p>D. What action government is taking to address the gap?</p> <p>To meet the demand and supply gap, Punjab Heritage and Tourism Promotion Board (PHTPB) has considered project in Tranche -3 (IDIPT-PB) Scheme –ADB funded projects.</p>
<p>6. DESCRIPTION</p>	<p>A. Subproject Area</p> <p>a. Renovation and Adaptive re-use of Bugey Khana</p> <p>The Bugey Khana is situated on the road connecting to the Mall road, opposite to entrance to the Darbar hall. The entrance of Bugey Khana is oriented towards north west direction, whereas, the peripheries of structure towards north east is encroached by residential buildings. The buildings across Bugey Khana are institutional and commercial in nature.</p> <p>The Bugey Khana is exceptional stable and coach-house complex of the former Maharajas of Kapurthala. It is remarkable for its great extent and, especially, for its concentric, circular plan. With the exception of outer gatehouse, which faces westwards to the Darbar Hall, the entire complex is single-storied, brick-built and vaulted and flat-roofed. There is an alley that bounds north perimeter of the structure, which itself is bounded by an outer wall. Though the structure dates to the later 19th century it is constructed in a Regency Gothic style. The complex comprises two angular structures, each accessed by a gatehouse to the west. The outer ring has a two-storied gatehouse, retaining its original gothic timber gates.</p> <div data-bbox="780 770 1374 1429">  <p style="text-align: center;">Darbar Hall Bugey Khana</p> </div> <p style="text-align: center;">Figure 2: Location plan of Bugey Khana</p>

The alley between two rings include the stabling, grooms' accommodation and feed-store. The outward-facing side of the inner ring building contains the stabling; and the outer ring building enclose the remaining. The interior court of the inner ring building, accessed by a single-storied gatehouse, comprise the coach-houses. Many of the latter retain their original doors and door furniture. The brickwork is finished in yellow ochre lime wash with details picked out in pale blue.

b. Conservation and adaptive reuse of the Gulabi Kothi

Gulabi Kothi is the elegant model of French architecture, which is situated at Shanti Nagar on the Kanjli Road. This building was surrounded by dense forest when built. It is built in part of seven acres of land. The building is facing North East direction and is approached through Kanjli road connecting Kapurthala- Kartarpur Road. There is a residential complex around the site. The Gulabi Kothi was once a residence of the royal family of Kapurthala. The building architecture is of French style with many large rooms which at one time was used for the state guest house.

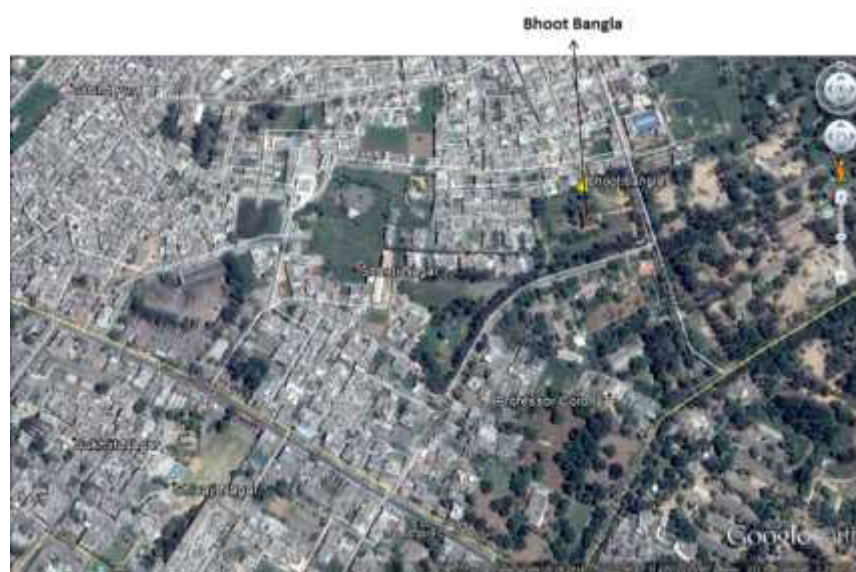


Figure 3: Location plan of Gulabi Kothi (Bhoot Bangla)

c. Conservation of Darbar Hall (Central Building only)

The Darbar Hall is an enormous and majestic building of national importance, which dominates the central part of the city of Kapurthala, just beyond the old city and at the key junction of principal axes of the new town as laid out in the 19th century as the princely capital. It is a vast tri-partite structure erected between 1882 and 1889 for Maharaja Jagajit Singh by his architect Ram Singh. The central



Darbar Hall Buggie Khana

Figure 4: Location plan of Darbar Hall and Buggie Khana

block, accessed by means of a tall domed vestibule, contains the great galleried Darbar Hall itself; the wings, which are connected to the central block by single-storied links, contained accommodation for visiting dignitaries. The building is currently used as Law Courts. The wings of Darbar hall are occupied with offices. Whereas, the works proposed are in the main Darbar hall building which is lying vacant. However, the wings will also be vacated by Law courts as new office complexes have been constructed for the Judiciary.

The building is of brick, probably steel-framed, with some red Rajasthan sandstone employed, particularly at the over-sailing eaves. The roof structures are of steel and there are cast iron rainwater goods, balustrades and spiral staircases (cast in the foundry of Richardson & Cruddas of Bombay). The building is remarkable for the quality of the brickwork construction throughout – precisely gauged, very tight jointed, and the surfaces rubbed to ensure absolute precision of finish. Moulded decorative brickwork occurs, all also apparently hand-rubbed and finished. There is localised use of applied plaster ornament, pigmented to match.

d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House

Gol Kothi is a protected monument under "The Punjab Ancient and Historical Monuments and Archaeological sites and remains Act, 1964". It is situated adjacent to major roundabout close to Kamra Bagh. It is approached through the road connecting to the Mall road. Towards north east side of the roundabout is vast expanse of Kamra Bagh. Towards the west and south are residential buildings and in its north and south direction are residences of important Government officials.

The Gol Kothi was originally known as "Kamra Kothi". It was built by Raja Fateh Singh in the year 1833 A.D. It was use as a residential space by kings. Externally the building appears to be of two principal stories surmounting a circular platform-base. The exterior perimeter is in part contiguous with the base and in part set-back, giving way to terracing to the east and north. The principal approach is from the east – this in axial arrangement with the P.W.D. Rest House and Jagajit Palace beyond.



Gol Kothi

Rest House

Figure 5: Location plan of Gol Kothi and Rest House

A broad stair leads up to the principal frontage. It seems clear that this aspect was originally framed by roof pavilions, now cut down. The original roof overall has been removed in most areas and a reinforced concrete slab substituted, this slab often cuts across internal decoration and detail.

	<p>However in many respects the building is well preserved, the concrete evidently having been introduced as a measure to preserve the structure. Otherwise the building appears to be wholly constructed of mortared brick (where visible this is generally Nanakshahi) and plaster.</p> <p>Internally there are three principal rooms, each of double height, and a series of service spaces. A double-height curved service passage runs around the external perimeter on the south and west of the structure; this provided borrowed light, while keeping the main rooms cool. The structure preserves much internal and external decorative plaster, as well as chimneypieces and other features. There is some internal painted decoration, and major details are picked out in the external lime-wash in white on a yellow ground. The Gol Kothi is a building of pleasing proportion and very great beauty.</p> <p>Civil Rest house is located adjoining Gol Kothi. The site area of civil rest house is approximately 1.25 acres out of which 2000 sqm is not in use.</p> <p>B. Assessment of Existing Situation:</p> <p>a. Renovation and Adaptive Re-use of Buggy Khana</p> <ul style="list-style-type: none"> • Need to renovate and conserve the additions made in structure such as false ceiling, floor tiles and glass doors with planned interventions. • Water seepage in the building. • Deterioration of terrace in the building resulting water percolation in rooms. • The cells of building which are not in use face problem of water seepage. • Development of cracks in walls due to root penetration. • Development of non structural cracks in rooms due to plaster deterioration cause by water seepage and material ageing. • The brick masonry is damaged mostly in outer elevation and outer circles. Surface of brick masonry is damaged. Parts of masonry are missing and in many locations roof is missing. • Vegetation growth on terrace above the lower ground floor. • In many of the locations the floor slab has completely collapsed. • Deterioration of floors in room. • Deterioration of timber rafters.
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Buggey Khana

b. Conservation and Adaptive Re-use of the Gulabi Kothi

- This historical building is now facing apathy of administration and government.
- The roof of the first floor has caved in from many places, the shades have started falling.
- One of the minarets has already vanished due to the vagaries of weather and the roof of another has caved in.
- Plants have grown in the niches developed by peeling off plaster and bricks in the walls, resulting in seepage of water and cracks in the walls.



Gulabi Kothi

c. Conservation of Darbar Hall (Central Building only)

- The two parts of the building, at present are being used as a district court, revenue and administration department.
- The central hall is vacant and is not in use by any department. Whereas, the works proposed are in the main Darbar hall building which is lying vacant.
- The condition of the central building is not good.
- The vicinity area of Darbar hall is being maintained by the Revenue Department.
- Due to the growth of vegetation on the pavilion entrance area, the chajjas and the roofs are deteriorated

- Roofs and its chimneys are bad in condition.
- The staircases are also not in good shape.
- Most of the doors are blocked by providing at dead walls, to create partition buildings the Departments.



Darbar Hall

d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House

- The structure has been experiencing number of collapses, notably pavilion to the SE, and on the west side.
- The structure has been experiencing deterioration with areas of water ingress and termite activity.
- The original roof overall has been removed in most areas and a reinforced concrete slab substituted, this slab often cuts across internal decoration and detail.
- Inadequate maintenance of areas surrounding the Gol Kothi.
- Civil rest house is not in a bad condition but over the time the structure has undergone unplanned interventions.
- Inadequate landscaping around Gol Kothi.
- Lack of visitor facilities.
- Need to enhance the site and its conditions.
- Inadequate lighting facilities.



Gol Kothi

	<p>C. Objective of the Subproject</p> <ul style="list-style-type: none"> • To improve, conserve and manage physical and environmental image of the heritage site/structures with planned interventions consistent to its historic status. • Providing visitor facilities along with protecting the heritage value of the property. • To develop comprehensive landscape plan consisting of softscape, hardscape and lightings to add aesthetics to enrich the site experience. • To highlight the culture of city and create awareness about the historical and religious structures and the values of city. • To enhance the current site experience and disseminate quality knowledge to the visitor. • To make visitor experience hazard free and purposeful. <p>D. Subproject components</p> <p>a. Renovation and Adaptive Re-use of Buggey Khana</p> <ul style="list-style-type: none"> • Conservation and restoration of the historic building which includes removal of vegetation, repair works, reconstruction of fallen roofs and re-plastering the building. • Provision of Services such as electrical, plumbing, firefighting, HVAC etc • Adaptive reuse of the building as "Urban Hatt" which will be the destination as a public space for shopping, cultural activity, traditional food and a place to congregate with the old heritage of Kapurthala. • Landscaping and Site Development <ul style="list-style-type: none"> ○ Provision of adequate lighting at the monument. ○ Provision of public conveniences. ○ Provision of parking facility. ○ Development of landscape area with provision of garden furniture. • Capacity building for tourism development and management. This will comprise following components: <ul style="list-style-type: none"> ○ Human resource development: This includes training to the local staff, guides, local community and emphasizing women participation. The subproject will provide employment opportunities in lodging establishments, tourist guides, supply of art and craft material and indirectly through production of vegetables, fruits, local produce etc. ○ Tourism awareness: increasing local participation towards tourism (Social, economic and environment impacts). ○ Management of sector and product development
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- Tourism marketing: This will be done through printed marketing materials to guide or inform visitors about the State's tourist attractions, facilities and services. Information system including website and physical visitor centres to support tourist visits to and within the State.

Table 1: Project cost of Buggey Khana

S.no	Components	Unit	Quantity	Rate in INR	Project Cost, (in INR crore)	Project Cost, (in USD million)
1	Conservation and restoration of Buggey Khana					
a	Dismantling and Demolishing	cu m	400	850	0.03	0.01
b	Conservation of Heritage Building	sq. m	1200	22000	2.64	0.44
c	Structural Repairs and reconstruction of roofs	sq. m	570	22000	1.25	0.21
d	Flooring	sq. m	400	835	0.03	0.01
e	Waterproofing	sq. m	400	1000	0.04	0.01
2	Adaptive reuse as Urban Hatt		PPP			
	Total				4.00	0.67

b. Conservation and Adaptive reuse of the Gulabi Kothi

- Conservation and restoration of the historic building which includes removal of vegetation, repair works, reconstruction of fallen roofs, re-plastering the building.
- Adaptive reuse of the building as Heritage Hotel which will be given on PPP mode.
 - Site development and landscaping.
 - Provision of Signage's and information boards of uniform design.
- Capacity building for tourism development and management. This will comprise following components:
 - Human resource development: This includes training to the local staff, guides, local community and emphasizing women participation. The subproject will provide employment opportunities in lodging establishments, tourist guides, supply of art and craft material and indirectly through production of vegetables, fruits, local produce etc.
 - Tourism awareness: increasing local participation towards tourism (Social, economic and environment impacts).
 - Management of sector and product development
 - Tourism marketing: This will be done through printed

marketing materials to guide or inform visitors about the State's tourist attractions, facilities and services. Information system including website and physical visitor centres to support tourist visits to and within the State.

Table 2: Project cost of Gulabi Kothi and Civil rest house

S. no.	Components	Unit	Quantity	Rate in INR	Project Cost, (in INR crore)	Project Cost, (in USD Mn)
1	Conservation and restoration of the historic building					
a	Structural repairs, stitching of cracks (presstech/helifix)	m	100	22000	0.22	0.037
b	Paint removal and other facade cleaning	sq m	1500	400	0.06	0.010
c	Dismantling - brick work	cu m	100	870	0.01	0.001
d	Dismantling - floor	sq m	2000	271	0.05	0.009
e	Dismantling - services	m	50	160	0.00	0.000
f	Consolidation of brick work	cu. m	60	7602	0.05	0.008
g	Consolidation of brick features	cu. M	50	1143	0.01	0.001
h	Construction of missing features	cu. M	15	9118	0.01	0.002
i	Flooring	sq m	1800	835	0.15	0.025
j	Roofing	sq m	1200	12990	1.56	0.260
k	Plaster of interior surfaces	sq m	8700	254	0.22	0.037
l	Landscaping & services at Gulabi Kothi and Civil rest house	sq m	10000	500	0.50	0.083
2	Adaptive reuse as Hotel and library	sq m			0.50	0.083
	Total Cost				3.34	0.556

Table 3: Project cost of Soft Components – Gulabi Kothi and Civil Rest House

Sr. No.	Components	Quantity	Project Cost (in INR crore)	Project Cost, (in USD million)
1	Promotional and Marketing Material	Lump sum	0.10	0.017
2	Capacity Building	Lump sum	0.10	0.017
	Total		0.20	0.033

c. Conservation of Darbar Hall (Central Building only)

- Conservation and restoration of the Central building which includes Removal of vegetation, repair works, reconstruction of fallen roofs, re-plastering the building.
- Provision of Services such as electrical, plumbing, firefighting, HVAC etc
- Capacity building for tourism development and management. This will comprise following components:
 - Human resource development: This includes training to the local staff, guides, local community and emphasizing women participation. The subproject will provide employment opportunities in lodging establishments, tourist guides, supply of art and craft material and indirectly through production of vegetables, fruits, local produce etc.
 - Tourism awareness: increasing local participation towards tourism (Social, economic and environment impacts).
 - Management of sector and product development
 - Tourism marketing: This will be done through printed marketing materials to guide or inform visitors about the State's tourist attractions, facilities and services. Information system including website and physical visitor centres to support tourist visits to and within the State.

Table 4: Project cost of Darbar Hall

Sr. No.	Components	unit	Quantity	Rate in INR	Project Cost, Lump sum (in INR crore)	Project Cost, (in USD million)
1	Conservation and restoration					
a	Structural repairs, stitching of cracks (presstech/helifix)	m	230	22000	0.51	0.084
b	Paint removal and other facade cleaning	sq m	23000	400	0.92	0.153
c	Dismantling - brick work	Cu m	180	870	0.02	0.003
d	Dismantling - floor	sq m	1530	271	0.04	0.007
e	Consolidation of brick work	Cu m	200	1143	0.02	0.004
f	Construction of new features	Cu m	150	7602	0.11	0.019
g	Construction of missing features	Cu m	100	9118	0.09	0.015
h	Flooring	Sq m	3200	835	0.27	0.045
i	roofing	sq m	1600	9890	1.58	0.264
j	Plaster of interior surfaces	sq m	18000	254	0.46	0.076
2	Landscaping	sq m	6000	500	0.30	0.050
	Total				4.32	0.720

Table 5: Project cost of Soft components – Darbar Hall

S.no	Components	Quantity	Project Cost (in INR crore)	Project Cost (in USD million)
1	Promotional and Marketing Material	Lump sum	0.10	0.017
2	Capacity Building	Lump sum	0.10	0.017
	Total		0.20	0.033

d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House

- Conservation and restoration of Gol Kothi which includes removal of vegetation, repair works, reconstruction of fallen roofs, re-plastering the building.
- Provision of Services such as electrical, plumbing, firefighting, HVAC etc
- Adaptive Reuse of Gol Kothi as heritage hotel which will be given

on PPP mode

- Landscaping and Site Development of Gol Kothi and Civil Rest house
 - Provision of adequate lighting at the monument.
 - Landscaping of the site including street furniture
 - Provision of Signage's of uniform design and information boards.
- Capacity building for tourism development and management. This will comprise following components:
 - Human resource development: This includes training to the local staff, guides, local community and emphasizing women participation. The subproject will provide employment opportunities in lodging establishments, tourist guides, supply of art and craft material and indirectly through production of vegetables, fruits, local produce etc.
 - Tourism awareness: increasing local participation towards tourism (Social, economic and environment impacts).
 - Management of sector and product development
 - Tourism marketing: This will be done through printed marketing materials to guide or inform visitors about the State's tourist attractions, facilities and services. Information system including website and physical visitor centres to support tourist visits to and within the State.

Table 6: Project cost of Gol Kothi

S.no	Components	Unit	Quantity	Rate in INR	Project Cost, (in INR crore)	Project Cost, (in USD million)
1	Conservation and restoration which includes					
a	Structural repairs, stitching of cracks (presstech/helifix)	mt	150	22000	0.33	0.055
b	Paint removal and other facade cleaning	sq m	725	400	0.03	0.005
c	Dismantling - brick work	cu. m	60	870	0.01	0.001
d	Dismantling - floor	sq m	375	271	0.01	0.002
e	site clearance	sq. m	3000	160	0.05	0.008
f	missing brick work	cu. m	150	9118	0.14	0.023
g	Construction of missing features	cu. m	60	7602	0.05	0.008
h	Flooring	sq. m	950	835	0.08	0.013
i	roofing	sq m.	700	12990	0.91	0.152

j	plaster of interior surfaces	sq m.	3200	254	0.08	0.014
k	Landscaping	sq m.	3600	500	0.18	0.030
l	rain water harvesting	site area	3600	1800	0.65	0.108
2	Adaptive reuse					
a	Heritage Hotel	sq m	2000	5000	1.00	0.167
	Total				3.50	0.584

Table 7: Project cost of Soft components – Gol Kothi

Sr. No.	Components	Quantity	Project Cost (in INR crore)	Project Cost (in USD million)
1	Promotional and Marketing Material	Lump sum	0.10	0.0167
2	Capacity Building	Lump sum	0.10	0.0167
	Total		0.20	0.0333

E. What are the risk and assumption?

Following risks have been identified for the project:

- Inadequate Operation and Maintenance of heritage structures is a potential risk, which need mitigation through adequate Operation and maintenance (O&M) measures.
- Managing visitor impacts on heritage sites will be a challenge for operation and maintenance (O&M) agency.
- The risk of deterioration of structures due to climatic effects while it is under development/refurbishment stage.
- Possible lack of resource mobilization, promotion, marketing and harmonization of policies resulting in uncoordinated overall development.
- Non readiness of communities to accrue social and economic benefits.
- Decrease in visitors flow due to increased competition from the other regional and local destinations.
- Inadequate and uncompetitive regional/local transport infrastructure that inflates costs and limits accessibility for potential tourists.

It has been assumed that:

- Conservation of heritage sites and development of visitor facilities will result in growth of visitors and tourist to the site.
- Subproject will result in improved quality of attractions and improvement of natural and cultural site.
- Year-round events would be planned with establishment of facilities. This will enhance commercial potential for shops /

	<p>kiosks. DoT will finalize policy of adaptive reuse and revenue generation for financial sustainability.</p> <ul style="list-style-type: none"> • Development and conservation of the site as tourist attraction will facilitate tourist flow, hence its maintenance through various revenue streams. • The concerned line agency or any other public and/or private agency will be responsible for the O&M arrangements. Gap, if any, could be met through State Government assistance. • Development of sites will create employment opportunities, resulting in socioeconomic development. • The concerned department will be allowed to generate adequate revenue. • Preservation of environment to ensure environmental sustainability (avoiding cutting of trees). • Continued Government support will prevail for promoting tourism development. • Effective promotion through development of Information and Communication Technology. • The line department will allow all development activities as per approved plans.
<p>7. DESIGN FEATURES</p>	<p>F. What is the design period?</p> <p>The design period for project is 20 years.</p> <p>G. What is the basis of the design?</p> <p>The guiding principle followed for design of subproject follows the 'Technical Criteria for Subprojects' laid in Schedule 4, FFA and Appendix 4 FAM. The other principle for design and development of subproject is as follows:</p> <ul style="list-style-type: none"> • The design criteria would consider historical importance and site characteristics. The design will be based on the complete documentation of the monument/historical sites. Existing state will be recorded and condition mapping will be done. During the process, evidences found will be used for final interventions. • Design would be based on the carrying capacity of site along with existing demand and projected tourists/visitors flow. • The design will also incorporate the peak hour traffic and visitor flow. • Design would follow the Standard Norms, IRC guidelines, including planning and design standards.

8. PROJECT COST	<p>A. What are the estimated costs</p> <p>The total subproject development costs is given below :</p> <table><tr><th>Item</th><th>Amount (INR Millions)</th><th>Amount (in Million USD)</th></tr><tr><td>A. Base Cost</td><td></td><td></td></tr><tr><td>1. Conservation/Construction cost</td><td>135.18</td><td>2.25</td></tr><tr><td>2. Taxes and duties (@ 12%*)</td><td>16.22</td><td>0.27</td></tr><tr><td>Subtotal (A)</td><td>151.40</td><td>2.52</td></tr><tr><td>B. Contingencies**</td><td></td><td></td></tr><tr><td>1. Price contingency (@ 1% on local currency)</td><td>1.51</td><td>0.03</td></tr><tr><td>2. Physical contingency (@3% for procurement of goods)</td><td>4.54</td><td>0.08</td></tr><tr><td>Subtotal (B)</td><td>6.06</td><td>0.10</td></tr><tr><td>Total (A+B)</td><td>157.46</td><td>2.62</td></tr><tr><td>Say (Financial price)</td><td>135.18</td><td>2.25</td></tr></table> <p>Assuming 1 USD = INR 60</p> <p>* Percentage rate derived as per the "Taxes and Duties" amount over the preceding "Cost (net of tax)" amount under Investment Costs, cost estimates by expenditure category Table 2, FAM, and August 2010.</p> <p>** As per Note 2. of Table 2, FAM, August 2010.</p>	Item	Amount (INR Millions)	Amount (in Million USD)	A. Base Cost			1. Conservation/Construction cost	135.18	2.25	2. Taxes and duties (@ 12%*)	16.22	0.27	Subtotal (A)	151.40	2.52	B. Contingencies**			1. Price contingency (@ 1% on local currency)	1.51	0.03	2. Physical contingency (@3% for procurement of goods)	4.54	0.08	Subtotal (B)	6.06	0.10	Total (A+B)	157.46	2.62	Say (Financial price)	135.18	2.25
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9. IMPLEMENTA -TION PERIOD	<p>A. What is the timeframe for implementation of this subproject?</p> <table><tr><th>ITEM</th><th>PB/IDIPT/T3/13/15</th><th>PB/IDIPT/T3/13/20</th></tr><tr><td>Submission of the SAR</td><td>Oct 2014</td><td>Oct 2014</td></tr><tr><td>DPR and Bidding Documents</td><td>Dec 2015</td><td>Nov 2014</td></tr><tr><td>Issue of Tender Documents</td><td>Dec 2015</td><td>Nov 2014</td></tr><tr><td>Contract Award</td><td>March 2016</td><td>March 2015</td></tr><tr><td>Commencement of Contract</td><td>April 2016</td><td>April 2015</td></tr><tr><td>Completion of Contract</td><td>Dec 2018</td><td>Dec 2016</td></tr></table>	ITEM	PB/IDIPT/T3/13/15	PB/IDIPT/T3/13/20	Submission of the SAR	Oct 2014	Oct 2014	DPR and Bidding Documents	Dec 2015	Nov 2014	Issue of Tender Documents	Dec 2015	Nov 2014	Contract Award	March 2016	March 2015	Commencement of Contract	April 2016	April 2015	Completion of Contract	Dec 2018	Dec 2016												
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10. IMPLEMENTATION ARRANGEMENT	<p>A. Who will implement the subproject?</p> <p>The implementation agency for the project is PHTPB, Chandigarh. PHTPB has specialized personnel and project managers catering to the needs of the project. Specialized branches have been created within the department as part of institutional strengthening. Conservation Architect will be recruited under PMU/PMC/DSC/PIU team for a short term or intermittent inputs. This can be a short-term need, for which the TOR will be finalised. All such needs will be identified and appropriate eligibility conditions would be drawn up for the work execution under expert supervision. The cost for same will be much smaller in the overall budget for consultancies or IAC and would be met under the provisional sum.</p> <p>However, during implementation, institutional strengthening of PHTPB may be done by creating implementation units within the department as suggested by the UNWTO Report, as below:</p> <p><i>Tourism Cultural Heritage Unit (TCHU) that will implement the state's tourism and cultural heritage policy and provide support to the proposed Punjab Heritage Buildings and Sites Commission. (PHB&SC); a Community-Based Tourism Unit (CBTU) to implement CBT and</i></p>																																	

	<p><i>ecotourism policies; and a Tourism Investment Promotion Unit (TIPU) to implement policy to enhance the role of the private sector in the provision, operation and maintenance of tourist infrastructure and facilities and services including partnerships with local communities and cultural and heritage site managers. Attached to the PHTPB should be a Punjab Heritage Buildings and Sites Commission (PHB&SC) to focus on revitalization and valorization of private and publicly-owned cultural heritage assets; and a PPP-based Tourism Marketing and Promotion Board (TMPB) to implement PPP-based development and marketing and promotions initiatives.</i></p> <p>B. Who will be in charge of design and construction supervision?</p> <p>The Project Manager, Project Implementing Unit (PIU) in Amritsar in consultation with Project Management Unit (PMU)-PHTPB will be responsible for design and construction supervision activities of the project.</p> <p>The PIU will comprise personnel drawn from relevant line departments headed by a project manager for the implementation and monitoring of subprojects. The PIUs will be responsible for:</p> <ul style="list-style-type: none"> • providing day-to-day assistance, supervision and guidance to the design and supervision consultants; • conducting detailed assessments and surveys including public consultation and input from stakeholders; • preparing detailed designs, specifications, schedule of quantity, bidding documents, and related documentation; • implementing civil works and related activities; • reporting to PMU; • preparing regular progress reports for the SLEC, the executing agency and ADB through PMU; and • supervising construction, conducting quality control, approving progress payments to contractors; and • maintaining records and accounts on an up-to-date basis and making these available to ADB, its missions, or auditors for inspection.
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11. PROCUREMENT AND CONSULTANT SELECTION	A. What will be the procurement method?													
	This subproject comprises ‘Works’ packages, under National Competitive bidding to be conducted in accordance with ADB's Single Stage - two envelopes bidding procedure for ADB’s ‘Post’ Review, open to all Bidders from the eligible countries under ADB’s Procurement Guidelines.													
	<table><tr><th rowspan="2">Package Number</th><th rowspan="2">General Description</th><th rowspan="2">Estimated Value \$ Mn</th><th>Advertisement</th></tr><tr><th>Date (Q/Yr)</th></tr><tr><td>PB/IDIPT/T3/13/15</td><td>Conservation and adaptive reuse of colonial heritage in Kapurthala – Gol Kothi, Gulabi Kothi and Buggey Khana</td><td>1.81</td><td>Q4/2015</td></tr><tr><td>PB/IDIPT/T3/13/20</td><td>Conservation and adaptive reuse of colonial heritage in Kapurthala - Darbar Hall</td><td>0.72</td><td>Q4/2014</td></tr></table>	Package Number	General Description	Estimated Value \$ Mn	Advertisement	Date (Q/Yr)	PB/IDIPT/T3/13/15	Conservation and adaptive reuse of colonial heritage in Kapurthala – Gol Kothi, Gulabi Kothi and Buggey Khana	1.81	Q4/2015	PB/IDIPT/T3/13/20	Conservation and adaptive reuse of colonial heritage in Kapurthala - Darbar Hall	0.72	Q4/2014
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PB/IDIPT/T3/13/20	Conservation and adaptive reuse of colonial heritage in Kapurthala - Darbar Hall	0.72	Q4/2014											
12. OPERATION AND MAINTENANCE	A. Who will be the asset owner after completion?													
	<p>The asset owner of Buggey Khana, Gol Kothi and Civil Rest house is Deputy Commissioner of Kapurthala. The asset owner of Darbar Hall is Public Works Department (PWD). The asset owner of Gulabi Kothi is the Department of Health.</p> <p>B. Estimated yearly O&M cost</p> <p>O & M costs of 0.06 million USD per annum (@ 2% of Capital Cost) has been considered. Detailed estimate and O & M framework will be formulated in DPR stage.</p>													
13. ECONOMIC AND FINANCIAL ANALYSIS	A. Economic and Financial justification as per the subproject selection criteria													
	Economic Analysis													
	<p>The economic analysis has been carried separately as a whole for all the sub projects.</p> <p>Computed Economic Internal Rate of Return (EIRR) is 27.36%. As the EIRR values are exceeding the economic opportunity cost of capital at 12%, hence economic viability is confirmed.</p> <p>Financial Analysis</p> <p>The results of financial analysis for the subproject have been given below:</p> <table><tr><th>Subproject</th><th>FIRR (%)</th></tr><tr><td>Base results</td><td>-ve</td></tr></table> <p>The base case evaluation has indicated that the proposed subproject is not found to be financially viable, as the calculated FIRR value (-ve%) is less than the WACC (1.50%) . However the project will be able to recover the operation and maintenance expenses (Annual O&M of 0.06 USD Million) through revenue generation (Annual Revenue of 0.13 USD Million).</p>	Subproject	FIRR (%)	Base results	-ve									
	Subproject	FIRR (%)												
Base results	-ve													

<p>14. ENVIRONMENTAL ASSESSMENT</p> <p>(Fill in attachment 1)</p>	<p>A. Brief Description of Environmental Impact</p> <p>The proposed subproject "Conservation and Adaptive Reuse of Colonial Heritage in Kapurthala" involves components as following:</p> <ul style="list-style-type: none"> a. Renovation and Adaptive Re-use of Buggy Khana; b. Conservation and Adaptive Re-use of the Gulabi Kothi; c. Conservation of Darbar Hall (central building only) d. Conservation, Restoration and Adaptive Re-use of Gol Kothi including Landscaping, External Lighting and Visitors Facilities; Landscaping Works at Civil Rest House <p>The detailed study of the project reveals that the proposed project components involve the conservation/ renovation and adaptive reuse of the historically significant colonial buildings within Kapurthala. All the four sites Buggy Khana, Gulabi Kothi, Darbar Hall and Gol Kothi are within the proximity of few kilometers. Thus the development of these buildings can create an aesthetically appealing and historically significant hub for tourists. Gol Kothi is a protected monument under "The Punjab Ancient and Historical Monuments and Archaeological sites and remains Act, 1964", as per the provisions of the act, any conservation or development activities in the building require permission of the Deputy Commissioner (DC). The NoC for the project has been obtained and attached as Appendix 6. All the asset owners of the project components have provided NoCs and undertakings for the project activities. These subprojects will enhance the tourist's attraction by improving environment quality, recreation potential and to provide integrated tourism facilities.</p> <p>Due to the nature of the works involved, the subproject is unlikely to cause significant adverse impacts. The potential adverse impacts that are associated with design, construction, and operation can be mitigated to standard levels without difficulty through proper engineering design and the incorporation or application of recommended mitigation measures and procedures. Based on the findings of the IEE, the classification of the Project as Category "B" is confirmed, due to number of minor site specific interventions involved and no further special study or detailed EIA needs to be undertaken to comply with ADB SPS (2009) or GoI EIA Notification (2006).</p> <p>B. What is the EA's assessment on following?</p> <p>Likely to be classified as:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Category A under the EIA Notification of 2006 of GoI <input checked="" type="checkbox"/> Category B under the EIA Notification of 2006 of GoI <input checked="" type="checkbox"/> Does not warrant a categorization as it is not covered in the list of projects / activities under the EIA notification of 2006 of GoI <input type="checkbox"/> Unknown <p>The project site is <u>not</u>:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Within 10 km from the boundary of protected areas, notified areas and inter-state and international boundaries as defined under EIA Notification of 2006 of GoI <input checked="" type="checkbox"/> A part of National Parks/Sanctuaries and Tiger Reserve areas (notified as defined under Indian Wildlife (Protection) Act, 1972) <input checked="" type="checkbox"/> Near to reserved forest or protected forest as defined under Forest (Conservation) Act, 1980 (amended in 1988) <p>The subproject does <u>not</u> require:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Consent for Establishment and Consent for Operation under the Water (Prevention and Control of Pollution) Act, 1974 and/or the Air (Prevention and Control of Pollution) Act, 1981
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	<input checked="" type="checkbox"/> Authorization for waste processing and landfills under Municipal Solid Waste (Management and Handling) Rules, 2000 of Government of India (GoI)
15. INVOLUNTARY RESETTLEMENT	<p>A. Brief Description of Resettlement Issues</p> <p>There are no resettlement issues involved in the project as all the activities are planned with detailed discussions with the line agencies and stakeholders. In the Gol Kothi, the government occupies some of the rooms, however, it has been informed by the concerned authorities that the same will be vacated on commencement of works as per the NoC from DC.</p> <p>B. What is the EA's assessment on following?</p> <p>This subproject is <u>unlikely</u> to cause:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Loss of any private land for agricultural land, homestead land or vacant plot <input checked="" type="checkbox"/> Loss of any government land for agricultural land, homestead land or vacant plot used by (i) legal or (ii) illegal occupants <input checked="" type="checkbox"/> Loss of residential structure including but is not limited to walls, fences, sheds, wells used by (i) legal or (ii) illegal occupants <input checked="" type="checkbox"/> Loss of commercial structure used by (i) legal or (ii) illegal occupants <input checked="" type="checkbox"/> Loss of trees and crops <input checked="" type="checkbox"/> Temporary loss of land <input checked="" type="checkbox"/> Temporary disruption of livelihood <input checked="" type="checkbox"/> Loss and temporary impacts on common resources
16. INDIGENOUS PEOPLE DEVELOPMENT	<p>A. Brief Description of Issues</p> <p>As per the Article 342 of the Constitution, no indigenous peoples or scheduled tribes have been identified in subproject, hence The Indigenous Peoples safeguards are not triggered under the project. Further, as already mentioned in the Indigenous Peoples Planning Framework of ADB (July 2010) Scheduled tribes are in all States and Union Territories except in the States/Union Territories of Haryana, Punjab, Delhi, Pondicherry, and Chandigarh. No tribe has been notified as scheduled tribe in Punjab, according to the Constitution (Scheduled Tribes) Order, 1950 as amended by the Scheduled Tribes Orders (amendment) Act, 1976.</p> <p>B. What is the EA's assessment on following?</p> <p><input checked="" type="checkbox"/> There are <u>no</u> indigenous people or ethnic minority groups present in project locations (as defined by Indian Constitution Article 342 and 366(25))</p>
17. CAPACITY BUILDING AND GENDER ACTION PLAN	<p>There is a Gender Action Plan integrated in the overall plan. Active participation of women is envisaged in promotion and development of craft retail outlets. Various capacity building programs are included for livelihood enhancement covering training of women for (i) skill development in traditional crafts based on use of locally available material; (ii) waste management practices; (iii) tourist guide; (iv) vocational courses; (v) hospitality courses; etc. With these, the performance targets set in DMF would be achieved ensuring an inclusive development instigated by tourism sector. Such capacity building programs will be conducted by the social safeguard specialists of PMU, PMC, DSC as well as NGOs at different levels.</p> <p>In association with UNWTO community based activities have been</p>

	planned in subproject districts which will be implemented shortly by PHTPB i.e. by the end of year 2014. This will include guide training programs in district of Amritsar, Gurdaspur and Kapurthala in addition to tourism awareness programs in schools and colleges of Gurdaspur and Ropar district.
18. OTHER ISSUES, IF ANY	Nil

Appendix 1: Rapid Environmental Assessment (REA) Checklist

Instructions:

- (i) The project team completes this checklist to support the environmental classification of a project. It is to be attached to the environmental categorization form and submitted to the Environment and Safeguards Division (RSES) for endorsement by Director, RSES and for approval by the Chief Compliance Officer.
- (ii) This checklist focuses on environmental issues and concerns. To ensure that social dimensions are adequately considered, refer also to ADB's (a) checklists on involuntary resettlement and Indigenous Peoples; (b) poverty reduction handbook; (c) staff guide to consultation and participation; and (d) gender checklists.
- (iii) Answer the questions assuming the "without mitigation" case. The purpose is to identify potential impacts. Use the "remarks" section to discuss any anticipated mitigation measures.

Country/Project Title: IDIPT – Punjab: Conservation and Revitalization of Colonial Heritage of Kapurthala

Sector Division: SARD (Urban Development and Water Division)

Screening Questions	Yes	No	Remarks
A. Project Siting			
Is the project area adjacent to or within any of the following areas:			
▪ Underground utilities		✓	
▪ Cultural heritage site	✓		The project sites under the subproject are located in Kapurthala in close proximity within the radius of 1 km. The city is part of Mega Darbar Circuit plan which aims to prepare tourist infrastructure and reuse plan of historically culturally significant buildings for visiting tourists. Gol Kothi is a protected monument under "The Punjab Ancient and Historical Monuments and Archaeological sites and remains Act, 1964".
▪ Protected Area		✓	Gol Kothi is a protected monument under "The Punjab Ancient and Historical Monuments and Archaeological sites and remains Act, 1964" and NOC is obtained from DC before commencement of works. None of the buildings are ASI protected.
▪ Wetland		✓	The project sites are not in wetland area.
▪ Mangrove		✓	The project site is not in a mangrove area.
▪ Estuarine		✓	The project site is not in an estuarine.
▪ Buffer zone of protected area		✓	The project area is not in any buffer zone of protected area.
▪ Special area for protecting biodiversity		✓	The project is not in any special area for protecting biodiversity.
▪ Bay		✓	The project site is not in any bay.
B. Potential Environmental Impacts			
Will the Project cause...			

Screening Questions	Yes	No	Remarks
▪ Encroachment on historical/cultural areas?		✓	The proposed interventions are planned after detailed discussions/ consultations with all the stakeholders and due permissions/ NOCs/ undertakings have been obtained from the concerned departments (viz. Defense Ministry for Sainik School and DC for Gol Kothi) hence no encroachment issues are involved.
▪ Encroachment on precious ecology (e.g. sensitive or protected areas)?		✓	The proposed interventions are planned to be developed in the existing buildings only after detailed stakeholder consultations, hence no encroachment issues on precious ecology are involved.
▪ Impacts on the sustainability of associated sanitation and solid waste disposal systems?		✓	There is no additional impacts on the sustainability existing sanitation and solid waste disposal systems.
▪ Dislocation or involuntary resettlement of people?		✓	There is no Dislocation or involuntary resettlement of people.
▪ Disproportionate impacts on the poor, women and children, Indigenous Peoples or other vulnerable groups?		✓	There are poor, women and children, Indigenous Peoples or other vulnerable groups identified in the project area which can be impacted negatively by project activities.
▪ Accident risks associated with increased vehicular traffic, leading to loss of life?		✓	There are no accident risks associated with this proposed improvements
▪ Increased noise and air pollution resulting from increased traffic volume?		✓	Does not arise
▪ Occupational and community health and safety risks?		✓	During the project construction, no safety risks are projected due to renovation and landscaping works involved.
▪ Risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during project construction and operation?		✓	There are no risks and vulnerabilities related to occupational health and safety as Occupational Health and Safety (OHAS) guidelines will be implemented during project construction and operation through Environment Mitigation Plan (EMP).
▪ Generation of dust in sensitive areas during construction?		✓	The proposed construction activity is site specific and does not have any impact to the surroundings as a detailed EMP will be implemented.
▪ Requirements for disposal of fill, excavation, and/or spoil materials?		✓	The proposed improvement consists of minor construction works. Hence only minimal disposal of spoil materials are anticipated.
▪ Noise and vibration due to blasting and other civil works?		✓	No major noise and vibration issues are involved as civil works do not involve any blasting activity.
▪ Long-term impacts on groundwater flows as result of needing to drain the project site prior to construction?		✓	There are no long-term impacts on groundwater flows as result of needing to drain the project site prior to construction.
▪ Long-term impacts on local hydrology as a result of building hard surfaces in or near the building?		✓	There are no Long-term impacts on local hydrology as a result of building hard surfaces in or near the building.
▪ Large population influx during project construction and operation that causes increased burden on social infrastructure and services (such as water supply and sanitation systems)?		✓	The proposed construction works will require very minimal laborers and hence local labourer's shall be employed to the extent.
▪ Social conflicts if workers from other regions or countries are hired?		✓	The proposed renovation work will require very minimal labourer and hence local labourer's shall be employed to the maximum extent.

Screening Questions	Yes	No	Remarks
▪ Risks to community safety caused by fire, electric shock, or failure of the buildings safety features during operation?		✓	Does not arise
▪ Risks to community health and safety caused by management and disposal of waste?		✓	Does not arise
▪ Community safety risks due to both accidental and natural hazards, especially where the structural elements or components of the project are accessible to members of the affected community or where their failure could result in injury to the community throughout project construction, operation and decommissioning?		✓	Does not arise

A Checklist for Preliminary Climate Risk Screening

Country/Project Title: IDIPT – Punjab: Conservation and Revitalization of Colonial Heritage of Kapurthala.

Sector: SARD (Urban Development and Water Division)

Subsector:

Division/Department:

Screening Questions		Score	Remarks ¹
Location and Design of project	Is siting and/or routing of the project (or its components) likely to be affected by climate conditions including extreme weather related events such as floods, droughts, storms, landslides?	0	The proposed subproject is planned at different historically significant sites/buildings in the Kapurthala district of Punjab. All proposed interventions are limited to site-specific minor construction activities only hence no negative climatic impacts are anticipated. However, management and renovation of the project site will have positive impact on the overall environment at the regional scale and will offer protection to significant cultural sites.
	Would the project design (e.g. the clearance for bridges) need to consider any hydro-meteorological parameters (e.g., sea-level, peak river flow, reliable water level, peak wind speed etc.)?	0	Does not arise
Materials and Maintenance	Would weather, current and likely future climate conditions (e.g. prevailing humidity level, temperature contrast between hot summer days and cold winter days, exposure to wind and humidity hydro-meteorological parameters likely affect the selection of project inputs over the life of project outputs (e.g. construction material)?	0	The construction materials used for this project shall not have any impact on the climate change. All efforts will be made to utilize Environment friendly construction materials.
	Would weather, current and likely future climate conditions, and related extreme events likely affect the maintenance (scheduling and cost) of project output(s)?	0	Does not arise
Performance of project outputs	Would weather/climate conditions and related extreme events likely affect the performance (e.g. annual power production) of project output(s) (e.g. hydro-power generation facilities) throughout their design life time?	0	Does not arise

Options for answers and corresponding score are provided below:

Response	Score
Not Likely	0
Likely	1
Very Likely	2

¹ If possible, provide details on the sensitivity of project components to climate conditions, such as how climate parameters are considered in design standards for infrastructure components, how changes in key climate parameters and sea level might affect the siting/routing of project, the selection of construction material and/or scheduling, performances and/or the maintenance cost/scheduling of project outputs.

Responses when added that provide a score of 0 will be considered low risk project. If adding all responses will result to a score of 1-4 and that no score of 2 was given to any single response, the project will be assigned a medium risk category. A total score of 5 or more (which include providing a score of 1 in all responses) or a 2 in any single response will be categorized as high risk project.

Result of Initial Screening (Low, Medium, High) – Low

Checklist/ matrix as per the Environment Assessment and Review Framework (EARF, Table 6)

S. No.	Component	Criteria	Compliance Status
A.	Overall selection criteria	Will be fully consistent with management plans or master plans for the area.	The project components designed at the different locations in Kapurthala at Buggey Khana, Gulabi Kothi, Darbar Hall and Gol Kothi, are in line with the Conservation and Management plan of these Historical Colonial buildings.
i.		Will avoid resettlement/relocation. If unavoidable the extent of resettlement will be Minimized.	The extent of resettlement/relocation is minimized to the extent possible, as all NoCs and undertakings will be obtained before commencement of works.
ii.		Will not result in destruction of or encroachment onto protected areas, including National Parks, Sanctuaries, Conservation Reserves and Community Reserves, environmentally sensitive zones and Biosphere reserves.	No destruction or encroachment onto protected areas, including National Parks, Sanctuaries, Conservation Reserves and Community Reserves, environmentally sensitive zones and Biosphere reserves is involved under the project, as the subproject areas do not have any such sites in the vicinity.
iii.		Will be in line with the Conservation Plan/ management plan for the conservation and Management of the Protected areas.	All the activities are in line with the management plan of the buildings.
iv.		Will promote tourism related activities in protected areas, in the zones earmarked for tourism development, the scale and extent of which shall be in line with the provisions in The Management Plan.	The activities are being promoted as per the Punjab Tourism Development Master plan. The scale and extent of the activities are in line with the requirements of the project sites and management plans.
v.		Will not result in destruction of or encroachment onto archaeological monuments/ heritage sites and will be in line with the master plan proposals for the conservation and preservation of the site / monuments.	The project activities involve only conservation and resurrection activities on the existing monuments of historical significance.
vi.		Will not involve major civil works within the prohibited and regulated areas, as defined in the ASI regulations, to minimize any potential impacts on safety to the structures/monuments.	The project does not involves any major civil works.
vii.		Will reflect inputs from public consultation and disclosure for site selection.	All required NoCs/ undertakings will be obtained from all the line agencies and Govt. Departments.
viii.		Will not introduce any elements or components that are invasive upon the sanctity and significance of the cultural heritage site, including large scale	The project does not introduce any elements or components that are invasive upon the sanctity and

S. No.	Component	Criteria	Compliance Status
		commercial activities or creation of new land uses with potential to trigger induced development and land use changes around the sites.	significance of the heritage site.
ix.		Will introduce landscaping and other tourist infrastructure in line with the environmental quality of the tourist destinations, such as landscaping in harmony with the natural vegetation and diversity and not encourage introduction of species that are invasive.	All efforts for landscaping including Gol Kothi and other tourist infrastructure are planned in line with the environmental quality of the tourist destinations, in harmony with the natural vegetation and diversity and not encourage introduction of species that are invasive.
x.		Will not result in development of physical infrastructure that would impair the environmental conditions due to lack of management capacities or high O&M costs.	All undertakings for the O & M of the structures have been obtained.
xi.		Will reflect inputs from public consultation and disclosure for site selection.	The principle of not altering the historic condition and treatment of damage caused by natural processes and human actions and prevention of further deterioration, using both technical and management measures, is being followed.
B.	Conservation measures and excavation measures – in and around Cultural properties and Protected Monuments/ Structures.	Will observe the principle of not altering the historic condition and shall involve treatment of damage caused by natural processes and human actions and prevention of further deterioration, using both technical and management measures.	All project activities have been planned in line with the principle of not altering the historic condition and shall involve treatment of damage caused by natural processes and human actions and prevention of further deterioration, using both technical and management measures.
xii.		Will promote in situ conservation and only in the face of uncontrollable natural threats and relocation is the sole means of saving elements of a site may they be moved in their historic condition.	The project will promote in situ conservation and no elements of the site will be moved from their historic condition.
xiii.		Will ensure that intervention be minimal. Every intervention proposed shall have clear objectives and use tried and proven methods and materials.	All interventions have been carefully planned and proven through tried methods and materials.
xiv.		Will ensure that physical remains are conserved in their historic condition without loss of evidence. Respect for the significance of the physical remains must guide any restoration. Technical interventions should not compromise subsequent treatment of the original fabric. The results of intervention should be unobtrusive when compared to the original fabric or to previous treatments,	Extreme care is ensured that physical remains are conserved in their historic condition without loss of evidence. Conservation Architect has been engaged to assure that the respect for the significance of the physical remains must guide any restoration. Technical interventions should not

S. No.	Component	Criteria	Compliance Status
		but still should be distinguishable	compromise subsequent treatment of the original fabric. The results of intervention should be unobtrusive when compared to the original fabric or to previous treatments, but still should be distinguishable.
xv.		Will ensure that the adaptive reuse of any particular building of monuments/structures does not intrude or induce impacts on other areas of the monument.	The adaptive reuse of each building of monuments/structures has been designed to be in line with other areas of the monument.
xvi.		Will ensure preservation of traditional technology and craftsmanship. New materials and techniques may only be used after they have been tried and proven, and should in no way cause damage to the site.	The tools and techniques used during construction will ensure preservation of traditional technology and craftsmanship.
xvii.		Will ensure that the setting of a heritage site be conserved. Natural and cultural landscapes that form part of a site's setting contribute to its significance and should be integrated with its conservation.	✓
xviii.		Will ensure that during archaeological excavation care be taken to conserve the physical remains. A practical plan for the conservation of a site—both during and after excavation – should be submitted for all sites programmed for excavation.	All measures will be taken to ensure that the setting of a heritage site is conserved. Natural and cultural landscapes will be integrated with its conservation.
xix.		Will ensure that treatment of the cultural heritage site and its environs is a comprehensive measure to prevent damage from natural processes and human actions, to reveal the historic condition of a site, and to allow its rational use.	An archeological monitoring and chance find protocol exists for the conservation of a site—both during and after excavation – for the DSC to implement, already being implemented in Tranche I.
xx.		Service buildings should be as far as possible from the principal area of the site.	The treatment of the cultural heritage site and its environs is implemented comprehensively to allow its rational use.
xxi.		Landscaping should aim to restore the site to its historic state and should not adversely affect the site; contemporary gardening and landscape concepts and designs should not be introduced.	Service buildings will be located as far as possible from the principal area of the site.
G.	Development of parking and other tourist infrastructure	Will ensure no deterioration of surrounding environmental conditions due to uncontrolled growth around these facilities, increased traffic and increased waste generation resulting from improved infrastructure facilities.	The Parking facilities will ensure that no deterioration of surrounding environmental conditions due to uncontrolled growth around these facilities, increased traffic and increased waste generation resulting from improved infrastructure facilities, is caused under these projects.
xxii.		Will not create structures or buildings that are physically or visually intrusive, in	No buildings are proposed under the subproject activities

S. No.	Component	Criteria	Compliance Status
		terms of size, scale, location that shall have an adverse impact on the aesthetic quality of the site, through careful designs in terms of built form, construction materials, etc.	which are physically or visually intrusive, in terms of size, scale, location that shall have an adverse impact on the aesthetic quality of the site, through careful designs in terms of built form, construction materials, etc.

Appendix 2: ECONOMIC AND FINANCIAL ANALYSIS

Economic analysis

The economic analysis of Punjab State (Tranche 3) of the Project was conducted in accordance with the following Asian Development Bank (ADB) guidelines: Financial Management and Analysis of Project (2005), Guidelines for the Economic Analysis of Projects (1997).

Economic Costs

1. Total project cost estimated under Cost Estimate Section is adopted for the analysis including its phasing during construction. Also operation and maintenance (O&M) cost outflow stream is developed for the subprojects both under 'without' and 'with' project scenarios during the analysis period. Project cost comprise of subproject base costs, plus physical contingencies and other implementation support expenditures. In other words, price contingencies are excluded from the analysis and all costs are in constant 2014 prices. Details of base cost considered for the analysis are summarized in **Table 1**.

Table 1: Details of Base Cost – For all 13 sub project appraisal reports – Punjab
Details of Economic Cost Estimation -

Details	Financial Cost (Capital)		Resource Cost (Capital) Five Years Full Investment	
		USD. Million	USD. Million	S P Factor
Base Cost with contingencies		48.94		
Allowances	14.270%	6.98		
Foreign Cost				
- Base cost & allowance	0%	-	-	1.03
- Taxes & Duties	0%	-	-	-
Local Cost				
- Unskilled labour	17.5%	9.30	6.97	0.75
- Skilled labour & Others	82.5%	43.83	43.83	1.00
- Taxes & Duties	5.00%	2.80	-	-
Total		55.93	50.81	

2. In calculating the economic internal rates of return (EIRR), the estimated costs and benefits were valued at their economic prices using the domestic price numeraire. This methodology adjusts border price equivalent values to their equivalent domestic price levels and required the application of shadow price adjustments to convert the estimated economic costs to their economic equivalents. The shadow price adjustment factors² used were based on ADB reports of a similar nature in South Asia³ and economic data provided by the Government. The economic costs were based on preliminary engineering design and estimates prepared for the subproject. Recurrent costs relating to the operation and maintenance of the sub projects were calculated annually at 2.96% percent of the proposed site infrastructure improvements.
3. The economic costs of capital works and annual operation and maintenance are calculated from the financial cost estimates on the following basis:

² The factors used are as follows: (i) foreign costs = 1.10; (ii) unskilled labor = 0.70; (iii) skilled labor = 1.00; and (iv) local materials = 1.00.

³ See for example, ADB. 2007. *Report and Recommendations of the President to the Board of Directors for Proposed Loans and Technical Assistance Grant to the People's Republic of Bangladesh: Dhaka Water Supply Sector Development Program* and ADB, 2005. *Report and Recommendations of the President to the Board of Directors for a Proposed Loan on Proposed Loan to India for the Kerala Sustainable Urban Development Project*.

- Price contingencies are excluded but physical contingencies are included because they represent real consumption of resources;
- Import duties and taxes are excluded because they represent transfer payments;
- The existence of unemployment and under-employment for unskilled workers within the Indian economy means that the opportunity cost of unskilled labour can be considered to be lower than its wage rate – a conversion factor of 0.70 of the market wage rate is used to estimate the shadow wage rate;
- The market wage rate for skilled labour and the acquisition cost of land are considered to represent opportunity costs, as both factors are in demand;
- All costs are valued using the domestic price numeraire, to enable an easier comparison with the information used to measure benefits (e.g. a significant component of benefit is the savings in resources, which would be used in the without project situation).

Incremental tourists

Economic Benefits

4. Tourists and the other beneficiaries like service providers and the families directly and indirectly employed along with the regional / national economy are the main project beneficiaries. For purposes of this economic analysis, only direct benefits from the tourists are included. Identified subprojects are grouped together and economic analysis for the same has been carried out.
5. Project benefits are considered for analysis includes:
 - A. Incremental Direct Value Added:
 - B. Tax Revenue to Government from additional Tourist Spending
- A. Incremental Direct Value Added:**
6. The incremental direct value added benefits are taken to be the net value addition associated with increased tourist spending in the state / circuit due to increase in the number of tourist arrivals in the area. This is calculated by allocating the tourist expenditure to the various sectors that receive them and subsequently applying appropriate ratios of net-value added for each sector. Further, due to the additional facilities and infrastructure being created, the average spending of a tourist would increase as also his length of stay at a site. The spending patterns for tourists are assumed to remain unchanged for the duration in a particular circuit, though there may be readjustments within different sites in that circuit. The money spent by tourists will be received by different segments of the tourism industry, which provide the various services and facilities.
7. Direct benefits include:
 - Incremental Direct Receipts: Incremental direct receipts is the direct expenditure of the additional tourist inflow by applying average stay in terms of number of days and average per capita per day tourist expenditure.
 - Incremental Direct Value Added: From the study report on Economic Benefits of Tourism, 1987 of Government of India, Ministry of Tourism, and the Net Value Added/ Receipt Ratio in respect of different segments of tourism industry is worked out and the average for all sectors has been worked out at 0.3103. However, as per study by Dr G Raveendran on Tourism, Planning and Measurement Methods, 1993, the net value added/ receipt ratio is worked out at 0.3854, which has been used in computing direct benefits in the present analysis.

B. Tax and non tax Revenue to Government from additional Tourist Spending:

8. Every rupee change in final-demand spending (direct output) results in a change in taxes (e.g.,

VAT taxes) and non-tax revenues. Based on the review of different studies carried in the region, it is assumed that the total tax and non-tax impact of incremental tourist spending is 20 percent and the same is followed for the present study.

9. Tourism benefits from the subproject in the form of incremental tourist expenditures were calculated based mainly on increased (i) number of tourist arrivals as a result of the subproject, (ii) duration of tourist stays in the area and (iii) amount of spending by the tourists. The income multiplier for the tourism sector in Punjab was estimated to be 0.3854 as discussed above. Surveys and secondary data sources indicate that average daily expenditure is \$117.1 for international visitors and \$36.9 for domestic visitors. Based on these, and the additional tourists inflow, project benefit was calculated and summarized in **Table 2**.

Table 2: Calculation of Economic Benefits – Punjab

Details	Domestic		International	
	Without Project	With Project	Without Project	With Project
Estimated Average time spent (Days/Tourist) ¹	3.3	3.3	2.5	2.5
Average Expenditure(USD / Tourist) - 2013	36.9	36.9	117.1	117.1
Annual Tourist Flow (Nos in Million) - 2015 ²	4.92	4.94	0.15	0.16
Additional Annual Tourist Expenditure (Million USD)	233.78	234.71	17.50	18.71
Revenue to the regional economy - @ 39%	91.17	91.54	6.83	7.30
Project Benefits		0.36		0.47

Source: Analysis

1. Estimated from the Tourist Demand Survey

2. Only 39% of the regional tourists is considered for analysis with the assumption 39% of the total tourist spending is from the day visitor.

C. EIRR Calculation and Sensitivity Analysis

10. In economic cost-benefit analysis, subprojects grouped in Punjab are compared to the 'without' project situation, using the life cycle analysis approach and discounted cash flow technique with economic opportunity costs of capital of 12%. The evaluation period allowed is 20 years from the first full year of benefits. The analysis is conducted at domestic prices and the discount year is taken as 2014.
11. Sensitivity analysis is undertaken in order to test the robustness of the economic results. Sensitivity analysis is a technique for investigating the impact of changes in project variables on the base-case (most probable outcome scenario). Typically, only adverse changes are considered in sensitivity analysis. Based on the experience in implementation of infrastructure projects in India and other developing countries, delays in completion period, cost overrun, O&M related issues and reduction in projection of beneficiaries / benefits are the major observed issues. ADB Guidelines for economic feasibility analysis also suggest 20% variations in adverse scenario on the above identified critical variables and the same are followed for the present analysis.
12. The following changes in parameters and assumptions are analyzed:
 - (i) 20% increase in investment cost possibly arising from a delayed implementation schedule or higher than expected inflation,
 - (ii) 20% increase in operations and maintenance costs which can be attributed to higher-than-budgeted personnel salaries,
 - (iii) 20% decline in benefits possibly resulting from lower-than-projected tourist arrivals and spending,

- (iv) Worst case scenario of a combination of scenarios (i), (ii), and (iii), and
- (v) a delay in subproject benefits by a year.

13. The results of the EIRR calculation and sensitivity analysis are summarized in **Table 3**. The base case EIRR was 27.36% percent, exceeding the economic opportunity cost of capital⁴ (EOCC) and confirming the economic robustness of the proposed subproject. A sensitivity analysis, undertaken to further test the economic viability of the subproject, as discussed above. The results of the sensitivity analysis show that the EIRR is highly sensitive to a reduction or a delay in benefits. To address this risk, the Project has been designed to support, albeit modestly, the Government's marketing and promotion program for the proposed sub circuit, as well as its skills development program in the local communities to upgrade the quality of professional tourism services available in the areas. In addition, with support from an ADB regional technical assistance, capacity building issues will be facilitated on or before the completion of the subprojects' physical works. The results of EIRRs and sensitivity analysis are presented in Table 10.

Table 3: Calculation of EIRRs and Sensitivity Analysis -

Details	EIRR
Main Evaluation (Base Case) ^{a/}	27.36%
Capital Cost Overrun ^{b/}	24.79%
Switching Value ^{c/}	252.00%
O&M Cost Overrun ^{d/}	27.07%
Switching Value ^{c/}	1254.00%
Decrease in Project Benefits ^{e/}	23.93%
Switching Value ^{c/}	68.00%
One Year Delay in Implementation	24.31%
All Four Tests Combined	19.17%

b/ 20% increase in capital cost.

c/ Calculated as the percentage change in a variable required for EIRR to reduce to 12%.

d/ 20% increase in O&M cost.

e/ Decrease in project benefits by 20%.

Economic Cost-Benefit Analysis Punjab (Base Case)								Appendix III
Year	Economic Capital Cost		Economic O&M Cost		Economic Project Benefits ¹			Net Benefit
	Tourist Site Development & Others	Total	Tourist Site Development & Others	Total	Tax Revenue to Govt from addl. Tourist Spending	Addl. Tourism Revenue to the Region from Tourist Spending	Total	
2014	-	-	-	-	-	-	-	-
2015	5.08	5.08	-	-	-	-	-	(5.08)
2016	7.62	7.62	0.14	0.14	0.04	0.08	0.03	(7.73)
2017	12.70	12.70	0.36	0.36	0.18	0.36	0.27	(12.79)
2018	12.70	12.70	0.72	0.72	0.57	1.11	1.26	(12.16)
2019	12.70	12.70	1.09	1.09	1.14	2.22	3.36	(10.43)
2020	-	-	1.45	1.45	3.13	6.10	9.22	7.77
2021	-	-	1.45	1.45	4.02	7.85	11.87	10.42
2022	-	-	1.45	1.45	5.06	9.87	14.93	13.48
2023	-	-	1.45	1.45	6.25	12.19	18.44	16.99
2024	-	-	1.45	1.45	7.62	14.86	22.48	21.03
2025	-	-	1.45	1.45	9.18	17.91	27.09	25.64

⁴ Estimated at 12% in Operations Manuals Section G1/OP Para. 2 (vi-b).

2026	-	-	1.45	1.45	10.97	21.39	32.36	30.91
2027	-	-	1.45	1.45	13.01	25.36	38.37	36.92
2028	-	-	1.45	1.45	15.32	29.88	45.20	43.75
2029	-	-	1.45	1.45	17.95	35.01	52.97	51.52
2030	-	-	1.45	1.45	20.94	40.83	61.77	60.32
2031	-	-	1.45	1.45	24.32	47.43	71.75	70.30
2032	-	-	1.45	1.45	28.15	54.88	83.03	81.58
2033	-	-	1.45	1.45	32.47	63.31	95.78	94.33
2034	-	-	1.45	1.45	37.35	72.82	110.17	108.72
Total	50.81	50.81	24.06	24.06	237.67	463.46	700.34	625.48
NPV @12% (Rs. Million)	34.93	34.93	7.05	7.05	44.44	86.66	130.56	88.58
EIRR (%)								27.36%
Source: Analysis								

A. FINANCIAL ANALYSIS

The financial analysis of project has been carried out to understand the self- sustainability of the sub-projects through direct revenue generation. The revenue generation has been identified for each of the subprojects based on the category of facilities provided in them. Some of the common assumptions related to revenue generation for the sub-projects considered in conducting the analysis have been listed below.

Revenue Generation Assumptions:

Direct revenue generation is identified through streams such as:

- Ticketing the visitor entry ,
- Car parking charges ,
- Rental charges from film shooting,
- User charges for public facilities
- Rental charges of Kiosks and Cafeteria,

The total number of visitors per day has been estimated based information provided by the tourist officers.

The Inputs for Revenue and FIRR estimation for subproject has been given below:-

Estimation of Weighted Average Cost of Capital (%) – Punjab

Parameters	ADB Loan	Govt. of Punjab (GoP)	WACC
Weighting	70%	30%	100%
Nominal cost \a,\b	2.580%	10.00%	
Tax rate ^{\c}	0	0	
Tax-Adjustable Nominal Cost	2.580%	10.00%	
Inflation \d	1.38%	7.60%	
Real cost	1.18%	2.23%	
Weighted WACC	0.83%	0.67%	1.50%

Source: Estimated based ADB Guidelines: Financial Management and Analysis of Projects, 2005.

a Nominal cost for ADB Loan is based on 20 year forward LIBOR rate of 1.88% plus 0.7% fixed spread (ADB News Release 2014: ADB Revises Charges on Sovereign Loans.)

b Long term Bond Rate

\c For GoPJ Departments including PHED and ULBs, there is no Corporate Tax impact. Hence not considered (Refer: Financial Management and Analysis of Projects 2005, ADB).

\d Long term international inflation Rate for ADB Loan portion is estimated based on the International Cost Escalation Factors published in 'CEF_2013 INTERNATIONAL_Oct2013'.

\e Long term domestic inflation Rate for GoPJ Financing portions is estimated based on the Domestic Cost Escalation Factors for South Asia (2013-2017) published in 'SARD_DCEF_Nov2013'.

Combined financial analysis has been carried for the following subprojects:-

- a. Renovation and Adaptive Re-use of Buggey Khana;
- b. Conservation and Adaptive Re-use of the Gulabi Kothi;
- c. Conservation of Darbar Hall (central building only)
- d. Conservation, Restoration and Adaptive Reuse of Gol Kothi including Landscaping, external lighting and visitors facilities, Civil Rest House – site development and landscaping Works;

The revenue assumptions and analysis has been given below:-

PROJECT COST AND REVENUE ASSUMPTIONS		
CAPEX		
Base Project Cost	2.52	USD Mn
Price Contingency	0.03	USD Mn
Physical Contingency	0.08	USD Mn
Total CAPEX	2.62	USD Mn
Annual O&M Cost		
Annual O&M Cost	3.38	INR Mn
	0.06	USD Mn
REVENUE SOURCES & PROJECTIONS		
Visitors Entry Fee		
Total no. of visitors for site per day	800	nos.
Visitor Entry fee per visitor (various locations, all inclusive)	40	Rs.
Operation days/Year	300	
Capacity utilisation	70%	
Possible Annual Revenue	0.11	USD Mn
Public Toilets		
No. of Users	400	Nos.
User fee	5.00	INR/use
Days / Year	300	Nos.
Utilisation	70%	
Possible Annual Revenue	0.007	USD Mn
Parking		
No. of Locations	1	Nos.
No. of Parking bays	80	Nos.
Tariff	10.00	INR/Use
Operations days/Year	300	Nos.
Space utilization	2	per day
Utilisation	70%	
Possible Annual Revenue	0.0056	USD Mn
Film shooting		
Operations days/Year	30.00	
User charge	25,000	INR/Day
Utilisation	70%	
Possible Annual Revenue	0.01	USD Mn
Cafeteria		
No. of Locations	1.00	Nos.
No of cafeteria	1.00	Nos.
Area for Each cafeteria	200	sqm
Revenue from Leasing	50.00	INR/Month/sqm
Utilisation	50%	
Possible Annual Revenue	0.001	USD Mn
Kiosks		
No. of Locations	3	Nos.
No of kiosks	1.00	Nos.
Area for Each kiosk	20	sqm
Revenue from Leasing	50.00	INR/Month/sqm
Utilisation	70%	
Possible Annual Revenue	0.0004	USD Mn
Annual Total Revenue	0.13	USD Mn
	8.09	INR Mn

FINANCIAL ANALYSIS AND OPERATION AND MAINTENANCE COST RECOVERY FOR SUB PROJECT

Period	Year	CAPEX Incidence	CAPEX (Linked to base cost + Physical Contingency)	OPEX	Revenue	NET CASH FLOW TO PROJECT
0	2014					
1	2015	50%	1.30			-1.30
2	2016	50%	1.30			-1.30
3	2017			0.06	0.13	0.08
4	2018			0.06	0.13	0.08
5	2019			0.06	0.13	0.08
6	2020			0.06	0.13	0.08
7	2021			0.06	0.13	0.08
8	2022			0.06	0.13	0.08
9	2023			0.06	0.13	0.08
10	2024			0.06	0.13	0.08
11	2025			0.06	0.13	0.08
12	2026			0.06	0.13	0.08
13	2027			0.06	0.13	0.08
14	2028			0.06	0.13	0.08
15	2029			0.06	0.13	0.08
16	2030			0.06	0.13	0.08
17	2031			0.06	0.13	0.08
18	2032			0.06	0.13	0.08
19	2033			0.06	0.13	0.08
20	2034			0.06	0.13	0.08
WACC	1.50%					
NPV	(1.3)					
FIRR	No positive return					

Appendix 3: COMPLIANCE WITH THE SUBPROJECT ELIGIBILITY CRITERIA

(As per FFA Schedule, Clause I – A to C, and FAM Appendix 3, Clause I – A to C)

S. No.	Eligibility Criteria	Compliance Status
A.	Attraction Eligibility Criteria	
(i)	Attractions must be located along the identified state tourism circuits as defined in the State Road Map/Tourism Master Plan, and adhere to the relevant land use plan(s) and zoning regulation(s) as available	The attractions are located in Western Circuit and are part of State Road Map. Kapurthala district is part of two tourist circuits identified in UNWTO Tourism Master Plan, i.e. Grand Trunk Road Trail and Imperial Highway and Sikh Heritage Trail.
(ii)	Attractions must form part of a thematic attraction cluster to be justified by current and projected segmented tourism patterns and market demand based on surveys of existing and potential tourism markets	The attraction is part of Cultural and Natural and Heritage sites attraction cluster.
(iii)	Attraction must be so located that contributes towards a emergence of clear sub-circuits in the State	Kapurthala district being part of Sikh Heritage Trail, Grand Trunk Trail and Imperial Highway contributes towards emergence of clear sub circuits in state.
(iv)	Attractions must qualify for at least two of the following categories: cultural heritage, natural heritage, pilgrimage heritage; or tribal heritage (as applicable)	Attraction qualifies for the two categories i.e. Cultural and Natural Heritage sites
(v)	Attractions must have the potential to draw a large number of tourists to the tourist destinations	The attraction has huge potential to draw tourists. As per UNWTO Master Plan the attraction is part of Western Circuit. The projected tourist flow in Western Circuit for 2018 is 4 million.
(vi)	Attractions must contribute to offering a diverse set of tourist destination activities that complement the tourist destination theme, build market appeal, and increase each tourist's length of stay and expenditure	Attractions offer diverse set of activities for tourists. The city of Kapurthala has several buildings and places of interest linked to its local history. Besides the heritage buildings concentrated in the city centre, some of the other existing and potential tourism sites in Kapurthala include the Science City, the Rail Coach factory, and the Kanjli Wildlife Wetlands. About 25 km southwest of Kapurthala and linked by the Kali Bein is Sultanpur Lodhi, an important pilgrimage site of the Sikh religion.
(vii)	Attractions must be able to contribute to the growth of the tourism value chain and provide linkages and benefits for surrounding local communities	The focus of subprojects is to develop more inclusive and sustainable pattern of tourism, designed to build capacities and enhance local community participation in the overall tourism value chain; and to participate in the provision, and operation and maintenance of small-scale tourism infrastructure, facilities and services in their area. The project will create job opportunities in form of tourist guides, promotion of crafts, folklore, lodging activities, hotels and restaurant, increasing local businesses etc. and increasing tourist spending at tourist site. To enhance participation by local

S. No.	Eligibility Criteria	Compliance Status
		communities it will be necessary to adopt and implement a State-wide community-based tourism (CBT) policy that would seek to: (i) enhance awareness of the costs and benefits of tourism; (ii) provide demonstration projects that can be used as pilots for other sites; (iii) provide for demand-based capacity building and skills training to equip local communities to participate more effectively in the tourism value chain in their vicinity; (iv) establish a Panchayat and village level framework for participation and protection of vulnerable groups; and (v) provide technical support, financing, and marketing support to local communities for CBT projects. This policy initiative to be supported by the creation of an appropriate CBT Unit in the PHTPB.
B.	Gateway Center Eligibility Criteria	
(i)	The Gateway Center must connect the destination and attractions as a domestic or international transportation hub that is either located in the state or in an adjoining state within adequate distance to ensure access and connectivity within a reasonable access time	Not Applicable
(ii)	The Gateway Center must contain significant concentrations of tourist accommodation, restaurants, and tourist support services such as tourist information, travel operations services with room for expansion to support a increasing flow of tourists	Not Applicable
C.	Local Communities Eligibility Criteria	
(i)	The local community shall comprise clusters of villages within or adjacent to, a tourist attraction site	The local community comprises cluster of villages within/adjacent to tourist attraction site.
(ii)	The local community must be accessible through an existing road including that which has the potential to enhance access to other tourist attraction(s), and gateway centre(s), through minimum upgrading	The local communities are accessed through roads.
(iii)	There is strong support and commitment from key stakeholders (e.g., local community members, ULB/RLB, SHG, tourism and related concerned agencies, private sector tour operators and carriers, and development partners and NGOs)	There is strong support for development from the key stakeholders concerned government agencies, private sector, local community and development partners.
(iv)	Cost recovery mechanisms for recurrent operating costs are in place or there is a clear willingness to put them in place	The cost recovery schemes based on user charges, entrance fees, rentals and parking etc will be used to recover substantial portions of the capital and/or O&M costs for each project.

COMPLIANCE WITH THE SUBPROJECT TECHNICAL CRITERIA

(As per FFA Schedule 4, Clause II – A to E, and FAM Appendix 3, Clause II – A to E)

S. No.	Technical Criteria	Compliance Status
A.	General	
(i)	Proposed works under the subprojects shall conform to each of the safeguard frameworks as referred in Schedule 5 to this FFA	Proposed works conform to safeguard framework referred in Schedule 5 of FFA.
(ii)	Proposed works must give preference to the use of local materials and labor;	A preference to the use of local material and labor would be given.
(iii)	Building/streetscape/community market's designs, materials and scale must be compatible to the local architectural vernacular, and physical and cultural landscape	The designs would ensure compatibility to the local architectural, vernacular and physical and cultural landscape. This is the basic feature of eco-tourism development project.
(iv)	Proposed works will result in significant improvements to the quality of the site environment and enable it to host tourists in a safe, healthy and secure manner	The works proposed in subproject will result in enhancing quality of site environment and enable it to attract and host tourist in safe, healthy and secure manner.
(v)	Design of environmental infrastructure and last-mile road connectivity shall comply to nationally-accepted benchmarks and standards	Nationally accepted benchmarks and standards would be followed for design of environmental infrastructure and last mile road connectivity.
(vi)	Environmental infrastructure including water supply, sanitation, solid waste management, drainage and flood control shall be provided where existing provisions are assessed to be insufficient for both community and projected tourism use	The subprojects ensure provision of environmental infrastructure for the sites having inadequate and insufficient water supply, sanitation, solid waste management, drainage and flood control.
(vii)	Responsible organization exists or can be established to maintain and operate the assets to be created	PHTPB along with other line departments of state including local government agencies would be responsible to maintain and operate the assets created.
B.	Municipal Services	
(i)	All incidental municipal services linked to subprojects such as water supply, sanitation, solid waste management, drainage, and flood control shall be eligible under the subproject subject to following the minimum requirement as detailed in the FAM.	Not Applicable
C.	Tourist Support Infrastructure & Services	
	All incidental tourist facilities under eligible subprojects such as visitor information and interpretation facilities, public toilets, street signage, lighting and landscaping, community markets, CBT facilities and services shall be eligible under the subproject subject to following the minimum requirement as detailed in the FAM	Tourist facilities and services are eligible under the subproject subject and follow the minimum requirement as detailed in the FAM.
D.	Tourist Destination Connectivity Infrastructure	
(ii)	All incidental tourism destination and connectivity infrastructure under eligible subprojects such as Helicopters, up-gradation of short air strips, last mile connectivity improvements, wayside facilities, shall be eligible under the subproject subject to following the minimum requirements as detailed in the FAM.	Not Applicable
E.	Heritage Restoration and Conservation	
(i)	Observe the principle of not altering the historic condition and involve in treatment of damage caused by natural processes	Technical and management measures would be used for

S. No.	Technical Criteria	Compliance Status
	and human actions to prevent further deterioration, using both technical and management measures.	treatment of damage caused by natural processes and human actions to prevent further deterioration viz-a viz not altering the historic condition.
(ii)	Promote in-situ conservation in principle and only in the face of uncontrollable natural threats where relocation is the sole means of saving elements of an asset, move them from their historic locations	In-situ conservation principle is followed.
(iii)	Ensure that intervention is minimal. The conservation measures and treatment shall include the following four categories1: regular maintenance; physical protection and strengthening; minor restoration; and major restoration. Every intervention must have clear objectives and use tried and proven methods and materials;	The interventions proposed are minimal and would be based on proven methods and materials.
(iv)	Ensure that physical remains are conserved in their historic conditions without loss of evidence. Respect for the significance of the physical remains must guide any restoration. Technical interventions must not compromise subsequent treatment of the original fabric. The results of intervention must be unobtrusive when compared to the original fabric or to previous treatments, but still must be distinguishable	The interventions proposed will conserve the historic structure in their original condition.
(v)	Ensure preservation of traditional technology and craftsmanship. New materials and techniques may be used only after they have been tried and proven, and must in no way cause damage to the site	The promotion and preservation of traditional craftsmanship and technology is ensured in subproject.
(vi)	Ensure that the setting of a heritage site is conserved. Natural and cultural landscapes that form part of a site's setting contribute to its significance and must be integrated with its conservation	The natural and cultural landscape forming part of site setting would be integrated with conservation of site.
(vii)	Ensure that during archaeological excavation, care is taken to conserve the physical remains. A practical plan for the conservation of a site – both during and after excavation – must be submitted for all sites programmed for excavation;	Not Applicable
(viii)	Ensure that treatment of the cultural heritage site and its environs is a comprehensive measure to prevent damage from natural processes and human actions to reveal the historic condition of a site, and to allow its rational use. Treatment shall be taken that involves the provision of facilities to service the public and to ensure site and visitor safety. Service buildings must be as far as possible from the principal area of the site. Exhibition and visitor facilities must be integrated in design and located in the same vicinity. Landscaping must aim to restore the site to its historic state and must not adversely affect the site. Contemporary gardening and landscape concepts and designs must not be introduced	Comprehensive measures would be taken to prevent damage from natural processes and human actions. The treatment will incorporate provision of facilities to service the public and ensuring visitor safety. All the necessary standards/norms would be incorporated during the design and planning stage.

APPENDIX 4: PROCUREMENT PLAN

1. Procurement and Consulting Methods and Thresholds

Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	Threshold	Comments
International Competitive Bidding (ICB) for Works	\$40,000,000 and above	Prior review
International Competitive Bidding for Goods	\$1,000,000 and above	Prior review
National Competitive Bidding (NCB) for Works	Beneath that stated for ICB, Works	Prior review of first bid document and first evaluation report from PMU and each PIU.
National Competitive Bidding for Goods	Beneath that stated for ICB, Goods	Prior review of first bid document and first evaluation report from PMU and each PIU.
Shopping for Works	Below \$100,000	
Shopping for Goods	Below \$100,000	

Consulting Services	
Method	Comments
Quality and Cost Based Selection (QCBS)	Prior review
Quality Based Selection	Prior review
Consultants' Qualifications Selection	Prior review
Least-Cost Selection	Prior review
Fixed Budget Selection	Prior review

2. Goods and Works Contracts Estimated to Cost \$1 Million or More

The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
PB/IDIPT/T3 /01/01	State-wide Tourism Centers, Interpretation Centers (2 lots)	1.00	NCB	Post	1S2E	Q2/2016	Works
PB/IDIPT/T3 /03-12/02	Imperial highway heritage conservation and visitor facility development (2 lots)	1.48	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /04/03	Eco-tourism development at Ropar and Harike Wetlands	3.00	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /05/04	Eco-tourism development of wildlife zoo	1.79	NCB	Post	1S2E	Q4/2014	Works

Package Number	General Description	Estimated Value	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
PB/IDIPT/T3 /06/05	Patiala heritage conservation and tourism development project	1.46	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /07/07	Establishment of Tourism facilities and infrastructure showcasing of Sikh culture	2.26	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /07/08	Establishment of Tourism facilities and infrastructure showcasing of Sikh culture (2 lots)	3.02	NCB	Post	1S2E	Q2/2016	Works
PB/IDIPT/T3 /08/09	Conservation at Gobindgarh fort (2 Lots)	4.09	NCB	Prior	1S2E	Q4/2014	Works
PB/IDIPT/T3 /09/11	Conservation and adaptive reuse of town hall, Rambagh gate and historic buildings along heritage walk in Amritsar – Conservation Works at Town Hall	1.08	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /09/13	Conservation and adaptive reuse of town hall, Rambagh gate and historic buildings along heritage walk in Amritsar – Reuse at Rambagh Palace	1.18	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /10/14	Last mile connectivity to cultural sites in western circuits	1.93	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T3 /13/15	Conservation and adaptive reuse of colonial heritage in Kapurthala – Gol Kothi, Gulabi Kothi and Buggy Khana	1.81	NCB	Post	1S2E	Q4/2015	Works

3. Consulting Services Contracts Estimated to Cost \$100,000 or More

The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Contract Value	Original Awarded Amount	Recruitment Method	Review (Prior / Post)	Advert Date (quarter/year)	Type of Proposal	Comments
PB/IDIPT/T3 / PMC/01	Project Management Consultants	2.00	1.20	Extension of ongoing contract	Prior	-	FTP	International : 11 PM, National: 459 PM
PB/IDIPT/T3 / DSC/02	Design and Supervision Consultant	1.60	0.79	Extension of ongoing contract	Prior	-	FTP	International : 0 National: 309 PM
PB/IDIPT/T3 / CBT/03	Consultant for Community Based Tourism Activities	1.00	-	QCBS (90:10)	Prior	Q2/2015	FTP	International : 0 National: 252 PM

4. Goods and Works Contracts Estimated to Cost Less than \$1 Million and Consulting Services Contracts Less than \$100,000 (Smaller Value Contracts)

The following table groups smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods and Works								
Package Number	General Description	Estimated Value	Number of Contracts	Procurement Method	Review (Prior / Post)	Bidding Procedure	Advertisement Date (quarter/year)	Comments
PB/IDIPT/T 3/01/16	State-wide Tourism Signages (2 lots)	0.94	2	NCB	Post	1S2E	Q1/2016	Works
PB/IDIPT/T 3/02/17	State-level art and craft resource centers	0.57	1	NCB	Post	1S2E	Q4/2015	Works
PB/IDIPT/T 3/03-12/18	Imperial highway heritage conservation and visitor facility development (2 lots)	0.84	2	NCB	Post	1S2E	Q3/2016	Works
PB/IDIPT/T 3/11/19	Heritage conservation and tourism development in Gurdaspur district	0.50	1	NCB	Post	1S2E	Q4/2015	Works
PB/IDIPT/T 3/13/20	Conservation and adaptive reuse of colonial heritage in Kapurthala	0.72	1	NCB	Post	1S2E	Q4/2014	Works
PB/IDIPT/T 3/04/21	Eco-tourism development at Ropar and Harike Wetlands	0.37	1	Force Account	Post	-	Q1/2015	Works

B. Indicative List of Packages Required Under the Project

The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Goods and Works							
Package Number	General Description	Estimated Value	Estimated Number of Contracts	Procurement Method	Review (Prior / Post)	Bidding Procedure	Comments ⁷
PB/IDIPT/T3/06/06	Patiala heritage conservation and tourism development project	4.41	NCB	Post	1S2E	Q3/2016	Works
PB/IDIPT/T3/08/10	Adaptive reuse at Gobindgarh fort	4.24	NCB	Post	1S2E	Q3/2016	Works
PB/IDIPT/T3/09/12	Conservation and adaptive reuse of town hall, Rambagh gate and historic buildings along heritage walk in Amritsar – Reuse at Town and Conservation Works at Heritage Walk	2.66	NCB	Post	1S2E	Q3/2016	Works

APPENDIX 5: COMPLIANCE TO COMMENTS ON SUB PROJECT REPORT FOR TRANCHE 3 SUBPROJECTS -PUNJAB

S.No.	Comments	Compliance	Reference
1	Please revise any reference to Tranche 2 to Tranche 3.	All references of tranche 2 have been changed to tranche 3 in the document.	Entire document
2	Please include page numbers.	The page numbers have been included in the entire SAR.	
3	For each adaptive reuse proposal, clearly state the planned re-use.	Following are the adaptive reuses for the proposed heritage structures: <ul style="list-style-type: none"> • Buggey Khana as Urban Haat • Gulabi Kothi as Heritage Hotel • Gol Kothi as a Heritage Hotel which will be given on PPP mode. 	Please refer to Section D, Page 14 to 20.
4	Clarify the meaning of 'Urban Hatt', mentioned as a proposed re-use for Buggey Khana.	"Hatt" in local terms means Market. Urban Hatt proposed will be a public space for shopping, traditional crafts, cultural activity, traditional food and a place to congregate with the old heritage of Kapurthala.	
5	Who will provide the relevant tourist interpretive materials and information for these centres?	PHTPB will provide all the relevant interpretative materials and information.	
6	Confirm that the selected locations are areas of high tourist traffic and optimum locations easily accessible to tourist.	The selected locations are areas of high tourist traffic and optimum locations which are easily accessible to the tourists. Per day tourist flow to the town of Kapurthala is 500, which is anticipated to increase with development of tourist sites in and around the city and entire tourist circuit.	Please refer to Section B, Page 5 (Need Demand and Supply)
7	ELIGIBILITY. The responses in all checklists are not relevant to the proposed subproject. Please revise. There is mention of tourist information in Ropar in the REA, etc.. Please revise.	The responses have been revised.	
8	SCOPE. Scope is still too general to arrive at cost estimates. Need more details on planned investments.	The scope of the SAR has now been revised. The proposed outputs and project scope for subproject is included with detailed facilities required to support the subproject. The cost estimates with units and quantities are given based on the project scope and nature of works.	Please refer to Section D, Page 14 to 20.

S.No.	Comments	Compliance	Reference								
9	O&M. Please clarify the operation and management of all investments.	<p>The operation and management of all the investments will mainly be the responsibility of asset owners. The identified revenue streams (as given below) will ensure sustainably:</p> <ul style="list-style-type: none">• Ticketing the visitor entry ,• Car parking charges ,• Rental charges from film shooting,• User chargers for public facilities• Rental charges of Kiosks and Cafeteria, <p>In case of lack of funds the respective asset owners will fund through internal annual budget. The details of the asset owners for the sub subprojects have been given below:</p> <ul style="list-style-type: none">• For Buggey Khana, Gol Kothi, and Civil Rest house it is Deputy Commissioner of Kapurthala.• For Darbar Hall it is the Public Works department/protected by the Department of Culture.• For Gulabi Kothi it is the Department of Health <p>However it is important to highlight that the detailed O&M plans and guidelines will be prepared by DSC at the time of completion of project and will later be furnished to the asset owner as per MOU drawn.</p>	Please refer to Operation and Maintenance Page 23 to 24 and Appendix 2, (Economic and Financial Analysis) .								
10	TECHNICAL FEASIBILITY. Please provide a list of all NOCs required and status & timeframe for obtaining.	<table><tr><th>NOC & Under taking for</th><th>Obtained from</th></tr><tr><td>Buggey Khana, Gol Kothi and Civil Rest House</td><td>Deputy Commissioner of Kapurthala and Department of Police</td></tr><tr><td>Darbar Hall</td><td>Public Works Department.</td></tr><tr><td>Gulabi Kothi</td><td>Department of Health</td></tr></table>	NOC & Under taking for	Obtained from	Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala and Department of Police	Darbar Hall	Public Works Department.	Gulabi Kothi	Department of Health	Please Refer to Appendix 6
NOC & Under taking for	Obtained from										
Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala and Department of Police										
Darbar Hall	Public Works Department.										
Gulabi Kothi	Department of Health										
11	SOCIAL SAFEGUARDS. For adaptive reuse proposals, confirm whether there are existing uses in the proposed buildings, and whether any displacement or disturbance to existing uses is required, and clarify if any impacts	<p>Site is free of any encumbrances. No displacement has been envisaged due to the proposed subproject.</p> <p>For Buggey Khana, the Department of Police is using a very small space of the entire</p>									

S.No.	Comments	Compliance	Reference																		
	would occur.	<p>complex. The other structures within the complex are lying vacant with no use. The works envisaged are mainly for the structures lying vacant with minor refurbishments in space utilized by Police Department.</p> <p>For Gulabi Kothi, one room in the complex is occupied by the Home guards for watch and ward of the property. When the conservation works commences, the home guards will return to their departmental barracks.</p> <p>In Darbar Hall complex, the wings of Darbar hall are occupied with offices. Whereas, the works proposed are in the main Darbar hall building which is lying vacant. However, the wings will also be vacated by judiciary as new office complexes have been constructed for the offices.</p>																			
12	<p>COSTS. The cost tables are too general and require more detail to arrive at more accurate cost estimates. What is the basis for each? What about cost of all equipment, training, etc? ADB requires detailed cost estimate tables with rates and quantities for works, equipment, training, etc. to understand the basis for financing such investments. This requires significant strengthening.</p>	<p>The cost table for the subproject has now been revised. The cost estimates for Bugey Khana and Darbar Hall is based on the available DPRs and BOQs. Whereas, for other sites (Gol Kothi, Civil Rest House, Gulabi Kothi) the cost estimates have been calculated based on field surveys, site visits and need assessment.</p> <p>The cost of equipment and training is an inherent component of the project. It has been included as soft component in the cost of the subproject.</p>	<p>Please refer to Section D, Page 14 to 20.</p>																		
13	<p>PROCUREMENT PLAN. A procurement plan needs to be included in the SAR for goods, works, and services. Please provide and clarify how goods and works would be packaged. ADB encourages clubbing of packages based on similar nature of such works/goods. Please try to reduce number of packages to extent feasible.</p>	<p>The Procurement Plan has now been revised and consolidated by clubbing of packages which are similar in nature. The specifics of procurement of this SAR are summarized as:</p> <table><tr><td>Package</td><td>Number</td></tr><tr><td>PB/IDIPT/T3/03-12/02</td><td></td></tr><tr><td>General Description</td><td></td></tr><tr><td>Conservation and adaptive reuse of colonial heritage in Kapurthala</td><td></td></tr><tr><td>Output</td><td>Quality Enhancement of Natural and Cultural Attractions</td></tr><tr><td>Goods and Works Contracts</td><td></td></tr><tr><td>Estimated to Cost \$1 Million or More</td><td></td></tr><tr><td>Estimated Value Mn \$</td><td>1.81</td></tr><tr><td>Procurement Method</td><td>NCB</td></tr></table>	Package	Number	PB/IDIPT/T3/03-12/02		General Description		Conservation and adaptive reuse of colonial heritage in Kapurthala		Output	Quality Enhancement of Natural and Cultural Attractions	Goods and Works Contracts		Estimated to Cost \$1 Million or More		Estimated Value Mn \$	1.81	Procurement Method	NCB	<p>Please refer to Page 23.</p>
Package	Number																				
PB/IDIPT/T3/03-12/02																					
General Description																					
Conservation and adaptive reuse of colonial heritage in Kapurthala																					
Output	Quality Enhancement of Natural and Cultural Attractions																				
Goods and Works Contracts																					
Estimated to Cost \$1 Million or More																					
Estimated Value Mn \$	1.81																				
Procurement Method	NCB																				

S.No.	Comments	Compliance	Reference
		Review Post Bidding Procedure 1S2E Advertisement Q4/2015 Comments Works Goods and Works Contracts Estimated to Cost Less than \$1 Million Estimated Value Mn \$ 0.72 Procurement Method NCB Review Post Bidding Procedure 1S2E Advertisement Q4/2014 Comments Works	
14	O&M. Please clarify the operation and management of all investments, and how the government could consider leasing out the facility to private operator for operations.	<p>The operation and management of all the investments is responsibility of the asset owners. The identified revenue streams (as given below) will ensure projects sustainably:</p> <ul style="list-style-type: none"> • Ticketing the visitor entry , • Car parking charges , • Rental charges from film shooting, • User chargers for public facilities • Rental charges of Kiosks and Cafeteria, <p>In case of lack of funds the respective asset owners will fund through internal annual budget. The details of the asset owners for the sub subprojects have been given below:</p> <ul style="list-style-type: none"> • For Buggy Khana, Gol Kothi, and Civil Rest house it is Deputy Commissioner of Kapurthala. • For Darbar Hall it is Public Works department. • For Gulabi Kothi it is Department of Health <p>However it is important to highlight that the detailed O&M plans and guidelines will be prepared by DSC at the time of completion of project and will later be furnished to the asset owner as per MOU drawn. A lease rental will be charged for the kiosks and cafeteria which will/can be given to the private operation for its functioning.</p>	Please refer to Operation and Maintenance Page 23 to 24 and Appendix 2, (Economic and Financial Analysis).

S.No.	Comments	Compliance	Reference
15	Please elaborate on planned re-uses and management of such sites. Clarify outsourcing to private sector and PPP strategy.	<p>Following are the adaptive reuses of proposed heritage structures which will be given on PPP mode:</p> <ul style="list-style-type: none"> • Buggey Khana as Urban Haat • Gulabi Kothi as Heritage Hotel • Gol Kothi as Heritage Hotel <p>The projects given on PPP will be additional sources of revenue (Revenue Sharing with Private operator) to the PHTBP and asset owners. The cost of such projects and revenue generation to PHTPB has not been included in the SAR.</p>	Please refer to Section D, Page 14 to 20.
16	How will lack of capacity be improved and be ensured so that these structures and investments do not fall into disrepair and are maintained sustainably.	<p>Training/Capacity development of local staff shall be an inherent component of the subprojects. The institutional strengthening will be done through Training/Capacity building programs of local staff to enhance their skills. PHTPB will also partner up with NGOs for enhancing institutional capacity. The PHTPB has also partnered with UNWTO who has conducted a pilot project in Punjab. In this program they will be giving a holistic master plan for tourism and marketing of Amritsar. UNWTO has already conducted a workshop of tourist guide training with special emphasis to Amritsar.</p> <p>Revenue generation from the subprojects has also been identified so that projects do not fall into disrepair. These are:</p> <ul style="list-style-type: none"> • Ticketing the visitor entry , • Car parking charges , • Rental charges from film shooting, • User chargers for public facilities • Rental charges of Kiosks and Cafeteria 	Please refer to Section D, Page 14 to 20 and Appendix 2, (Economic and Financial Analysis).
17	CAPACITY BUILDING. It says capacity building will be taken under a different DPR. Is this under the project? Who will do capacity building – PMC, DSC, a new NGO?	<p>Capacity building is an inherent component of the subprojects which will include components related to human resource development (training to local staff, guides and local community), tourism awareness, sector management and product development and tourism marketing for enhancement of tourist experience.</p> <p>The trainings will be held regularly by experts from PMC and DSC as</p>	

S.No.	Comments	Compliance	Reference
		well as through involvement of NGOs.	
18	ENVIRONMENTAL SAFEGUARDS. Please submit all IEEs to ADB immediately for review. If there is only one IEE to be prepared, the EMP should address impacts of all components as this will form part of the bidding and contract documents.	Complied. IEEs has been prepared and reviewed by ADB specialist. It will be submitted within the time limit agreed by ADB.	Please refer to Section D, Page 14 to 20.
19	SOCIAL SAFEGUARDS. Page 38 no. 15 indicates that there will be temporary loss of land and temporary impacts to common resources. Clarify. If impacts, please submit Resettlement Plans as per ADB's resettlement policy.	No impacts and resettlement issues have been anticipated from the subproject. For Buggay Khana, the Department of Police is using a very small space of the entire complex. The other structures within the complex are lying vacant with no use. The works envisaged are mainly for the structures lying vacant with minor refurbishments in space utilized by Police Department. For Gulabi Kothi, one room in the complex is occupied by the Home guards for watch and ward of the property. When the conservation works commences, the home guards will return to their departmental barracks. In Darbar Hall complex, the wings of Darbar hall are occupied with offices. Whereas, the works proposed are in the main Darbar hall building which is lying vacant. However, the wings will also be vacated by judiciary as new office complexes have been constructed for the offices.	
20	For Nabha Fort, the government still occupies some of the rooms. What is plan for relocating and timeframe, with assurance that no jobs are affected? Please clarify.	The works proposed for the Nabha Fort does not cover the entire complex but only the Fort area. There are no activities operating within the Fort. Hence, no relocation and jobs will be affected with proposed subproject.	
21	For Mohindra Kothi, the Rajiv Gandhi University of Law operates within the building, please clarify timeframe for their relocation.	Rajiv Gandhi University of Law has been shifted from the premises to the new complex. A Government Notification has already been issued appointing Department of Cultural Affairs Archaeology and Museums as the asset owner of Mahindra Kothi.	Please refer to SAR 6

S.No.	Comments	Compliance	Reference
22	COMMUNITY BENEFITS. It is not clear how the project will support community livelihood development as a result of proposed subproject development. Please clarify community based tourism components and state specific proposals for skill training, etc to be supported by the project, and clarify who will provide training (PMC, DSC,?).	<p>It is envisaged that as a result of development of the subproject there will be appreciable increase in the number of tourists visiting the Fort. Such an increase in visitor footfall presents a huge opportunity to the local community to explore various avenues of livelihood. The project will create job opportunities in form of tourist guides, promotion of crafts, folklore, lodging activities, hotels and restaurant, increasing local businesses etc. and increasing tourist spending at tourist site.</p> <p>The subproject has a soft component which will cater to the needs of capacity building and trainings of the local community. Community based tourism will be encouraged through development of local crafts. Skill Trainings programs for subproject include Cultural Interpretation Guide Training, Solid Waste Management Training, Cultural Group Training, Ancillary Service Provider Trainings, Communication and Marketing Training, Crowd and Disaster Management Training, First Aid and Rescue Training etc. Use of audio-visual techniques, classroom games and practical exercises will form a part. Imaginatively designed training kits will be given to the learners. The trainings will be held regularly. Experts from PMC and DSC as well as well known NGOs and Institutes will be involved.</p>	Please refer to Section D, Page 14 to 20 and Appendix 3, Checklist for Compliance with the subproject eligibility criteria (As per FFA Schedule, Clause I – A to C, and FAM Appendix 3, Clause I – A to C))
23	GENDER. Specify gender action plan activities are proposed in the subproject.	<p>The Gender Action Plan and activities are proposed in the subproject.</p> <p>Capacity building programs including training of women are included for livelihood enhancement. This includes (i) skill development in traditional crafts based on use of locally available material; (ii) waste management practices; (iii) tourist guide; (iv) vocational courses; (v) hospitality courses; etc.</p> <p>The PIU will ensure the implementation as approved by EDB.</p>	Please refer to Section 17, page 28 (Capacity Building and Gender Action Plan).

S.No.	Comments	Compliance	Reference												
24	CONSULTANT SERVICES. Clarify if there a need for additional experts or are existing PMC and DSC sufficient. It is recommended an NGO be recruited to support community based tourism activities. Please provide detailed TORs, inputs, and costs.	Additional expertise comprising an Archaeologist, Conservation Architect and an interpretation expert has been included in the PMC team for Tranche 3. TOR's for the same have been submitted. NGO will be recruited for CBT related trainings as a special package which will serve all training needs for Tranche 3. TOR, man-months and costs have been submitted and attached in Appendix 6.													
25	Provide costs and TOR for additional inputs for consultants to implement Tranche 3.	Additional expertise comprising an Archaeologist, Conservation Architect and an interpretation expert has been included in the PMC team for tranche 3. Tor's have been provided during ADB Fact Finding Mission.													
26	IMPLEMENTATION SCHEDULE. Include time-bound schedule for implementation (approval of SAR, completion of DPR and detailed engineering, issuing tender documents, contract award, commencement of contract, completion of contract).	<table><tr><td>Submission of the SAR</td><td>10th October 2014</td></tr><tr><td>Detailed Project Reports and Bidding Documents</td><td>10th November 2014</td></tr><tr><td>Issue of Tender Documents</td><td>15th November 2014</td></tr><tr><td>Contract Award</td><td>15th March 2015</td></tr><tr><td>Commencement of Contract</td><td>30th March 2015</td></tr><tr><td>Completion of Contract</td><td>10th December 2018</td></tr></table>	Submission of the SAR	10th October 2014	Detailed Project Reports and Bidding Documents	10th November 2014	Issue of Tender Documents	15th November 2014	Contract Award	15th March 2015	Commencement of Contract	30th March 2015	Completion of Contract	10th December 2018	Please refer to Section9 (Implementation Period), Page 22 and
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Detailed Project Reports and Bidding Documents	10th November 2014														
Issue of Tender Documents	15th November 2014														
Contract Award	15th March 2015														
Commencement of Contract	30th March 2015														
Completion of Contract	10th December 2018														
27	The implementation period is 2 years. Clarify if this is realistic.	The implementation period for the subproject is 3 years.													
28	ECONOMIC AND FINANCIAL ANALYSIS. Comments to be sent separately	-													
	FINANCIAL ANALYSIS														
1	There is a tendency of confusing the economic analysis with the financial analysis in all SARs. The economic benefits also seem to be inflated. Please advise the loan consultants to review ADB guidelines in preparing these analyses.	<p>In projects where there is no direct revenue stream, such as, in case of road development (without toll), infrastructure improvement (without municipal service charges), etc., Financial Analysis has not been performed.</p> <p>In the projects where direct revenue streams is identified , such as, parking charges, entry fee, rental charges from craft outlet,</p>	Please refer Appendix 2 – Economic and Financial analysis.												

S.No.	Comments	Compliance	Reference
		kiosks, cafeteria, interpretation centers, tourist information center, etc. Financial Analysis has been performed. The Economic analysis has been carried out as a whole for all the 13 sub projects and suitably incorporated in the SAR.	
2	For any revenue generating subprojects, please prepare financial analysis and calculate FIRR. Please ensure to apply WACC in real terms, i.e. after adjusting for inflation using the following formula: $(1+rate)/(1+inflation) - 1$. You may use 8.17% as the rate, which is the yield of 10-year government securities per RBI as of July 2013. For inflation, you may use 8.1%.	This has been adopted in the current analysis as suggested, resulting in WACC of 1.50. Earlier approach was also based on ADB suggestion for nominal cost at 8.17%, which is now suggested as 10% and finally adopted.	Please refer Appendix 2 Financial analysis, point 3
3	The revenue projections are too aggressive. For example visitor number for all sub-projects will uniformly increase by 10% per year. Many will achieve a number that seems higher than the carrying capacity. Has a capacity analysis been done to support the growth projection? As a result, all FIRRs except 3 exceed WACC. We would welcome realistic assumptions for revenue and cap the visitor growth as it reaches the carrying capacity of the site.	Financial analysis has been revised and estimated based on incremental tourists, keeping in mind the carrying capacity for each of the sub projects. Revenue streams for all the tourist sites are based on the facilities provided at each location and are commensurate with the fees / charges at similar facilities. Reasonable and consistent fees / charges are considered.	Please refer Appendix 2 Financial analysis,
4	Price contingency should not be included in the cost.	This has been revised and suitably incorporated into the analysis.	
5	WACC is calculated as follows.	Adopted in the current analysis as suggested by ADB, resulting in a WACC of 1.50.	Please refer Appendix 2 Financial analysis, Point 3.
24	ECONOMIC ANALYSIS		
1	Please explain how Rs1486 was calculated as according to report from Ministry of Tourism the average per visitor per overnight spending are Rs369 for rural and Rs715 for urban. The average nights for an overnight trip are 3. Therefore the per person per day spending is quite low between Rs123 and Rs239. As a result, government revenue would be even lower at maybe 20% of the per person per day spending.	The economic price of tourist spending per visitor per day has been as Rs 1486 for visitors in Punjab. The table presented below taken from Final report prepared by DMG Consulting Pvt. Ltd., Punjab has been used in estimation of Rs 1486 as the average tourist spending.	

S.No.	Comments	Compliance	Reference																																																									
	Please justify your estimate of Rs1486.	<p>Table - 2.24 Average Expenditure on non-package component during trip of sample visitors (in Rupees)</p> <table><thead><tr><th>Non Package Component</th><th>Avg. Expenditure at 2009 prices (Rs.)</th><th>Avg. Expenditure at 2014 prices (Rs.)</th></tr></thead><tbody><tr><td>Accommodation</td><td>257</td><td>231.5</td></tr><tr><td>Food & Drinks</td><td>351</td><td>336.5</td></tr><tr><td>Transport</td><td>742</td><td>704.5</td></tr><tr><td>Shopping</td><td>5</td><td>5</td></tr><tr><td>Recreation, Culture & Cultural Activities</td><td>5</td><td>5</td></tr><tr><td>Total</td><td>1400</td><td>1383</td></tr></tbody></table> <p>6711.00 Final Report Prepared by: DDO Consulting Pvt. Ltd., Rohtak</p> <table><thead><tr><th>Non Package component</th><th>Average expenditure on DOVs (Rs)</th><th>Average expenditure on DDVs (Rs)</th><th>Estimated average exp. for day and overnight visitors (Rs)</th></tr></thead><tbody><tr><td>Food and Drinks</td><td>257</td><td>206</td><td>231.5</td></tr><tr><td>Transport</td><td>351</td><td>312</td><td>336.5</td></tr><tr><td>Shopping</td><td>742</td><td>667</td><td>704.5</td></tr><tr><td>Total @2009 prices</td><td></td><td></td><td>1272.5</td></tr><tr><td colspan="4">Rounding off to nearest 5</td></tr><tr><td colspan="4">At 2014 prices</td></tr><tr><td colspan="4">Applying conversion factor of 0.85 to convert financial prices to economic prices (Rs)</td></tr><tr><td colspan="4">1486</td></tr></tbody></table> <p>Calculation of average visitor expenditure per day in 2014 prices is given in Table above.</p>	Non Package Component	Avg. Expenditure at 2009 prices (Rs.)	Avg. Expenditure at 2014 prices (Rs.)	Accommodation	257	231.5	Food & Drinks	351	336.5	Transport	742	704.5	Shopping	5	5	Recreation, Culture & Cultural Activities	5	5	Total	1400	1383	Non Package component	Average expenditure on DOVs (Rs)	Average expenditure on DDVs (Rs)	Estimated average exp. for day and overnight visitors (Rs)	Food and Drinks	257	206	231.5	Transport	351	312	336.5	Shopping	742	667	704.5	Total @2009 prices			1272.5	Rounding off to nearest 5				At 2014 prices				Applying conversion factor of 0.85 to convert financial prices to economic prices (Rs)				1486				
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2	Please explain how the incremental visitor number is calculated.	<p>The inputs provided from the tourist officers and district statistics of Punjab provided by Department of Tourism, regarding the tourist arrivals per day helped in formulating the tourists/visitors for the identified sub project.</p> <p>PHTPB has a dedicated Statistics and Research Unit which collects tourist data every month. A consultant (JPS) has also been engaged under T1 for collection of tourist statistics.</p>																																																										
3	No financial analysis has been included. If this is a non-revenue generating project, please ignore FIRR calculation. Instead, please focus on 3 year state budgets from 2011-12 to 2013-14 as well as budgets of the department of tourism of the state. Please ensure sufficient funding is available to support O&M.	<p>The financial analysis has not been carried for the non-revenue generating projects.</p> <p>For such sub projects the funding is through internal annual budget. The budget (accounts) for tourism in 2010/11 was \$10.6 million. In 2012/13, the operational budget was \$17.5 million (61% increase)</p> <p>Source: - Detailed estimates of expenditure on plan schemes Government of Punjab for year 2012-2013.</p>																																																										
4	If the project is a revenue generating project and the revenue is sufficient to recover O&M and CAPEX, please calculate FIRR. If CAPEX cannot be fully recovered, explain if O&M can be covered by operating revenues from ticket sales, rent or parking fees. If revenue is still insufficient, please focus on 3 year state budgets from 2011-12 to 2013-14 as well as budgets of the department of tourism of	<p>The subprojects are not found to be financially viable, as the calculated FIRR values is less than the WACC (1.50%). However the projects will be able to recover operation and maintenance expenses through revenue generation. For projects where O&M recovery is also partial the balance O&M needs to be funded from internal annual budget.</p>	Please Refer section 13, Economic and Financial analysis.																																																									

S.No.	Comments	Compliance	Reference
	the state. Please ensure sufficient funding is available to support O&M.		
5	It is appreciated that the subprojects are grouped into 2 circuits. However, since a visitor may visit sites from both circuits in one trip (same day or overnight trips), separately calculating benefits of 2 circuits will lead to double counting of benefits. Therefore a better approach is to look at the state as a whole. We would like to know if DoT has projected growth for the next 5 years. Please provide.	The economic analysis has been carried out separately as a whole for all the 13 sub projects which is spread across the state and hence the possibility of double is taken care off. JPS consultants were engaged in TI for statistical analysis, which will present the projected figures and will be used during T3.	Please Refer section 13, Economic and Financial analysis.
6	Taxes and price contingency should not be included in economic costs.	The price contingencies and taxes are excluded from the analysis and all costs are in constant 2014 prices	Please Refer Appendix 2, Economic analysis, point 1.
7	What are the poverty ratios of the state and the districts? Please provide.	At the state level, poverty ratio is about 18.3% (Source: Census 2011).The same has been provided to the ADB Economic expert.	
8	At the end of the analysis period, what is the salvage value of assets created?	New assets are not being created under this project. Valuation of the assets in their current status was also not considered in financial analysis. Hence, salvage value of the current limited investment for infrastructure improvement is not envisaged to impact the financial analysis, even though it may be favourable for the feasibility assessment.	

Comments: 14th September 2014

S.No.	Comments	Compliance	Reference								
1.	SAFEGUARDS. There are many of safeguard issues in this project. No NOCs have been attached. No thought on what to do with the buildings after they are repaired. If not reused immediately they will again deteriorate.	<p>The safeguard issues have been addressed. NOCs along with Undertaking for O&M have been obtained from all the asset owners. Following are the list of NOCs attached to the document</p> <table><tr><th>NOC & Under taking for</th><th>obtained from</th></tr><tr><td>Buggey Khana, Gol Kothi and Civil Rest House</td><td>Deputy Commissioner of Kapurthala.</td></tr><tr><td>Darbar Hall</td><td>Public Works Department.</td></tr><tr><td>Gulabi Kothi</td><td>Department of Health</td></tr></table> <p>There is also a comprehensive plan for adaptive reuse of the buildings. And economic models have been worked out for sustainable O&M, which will be detailed during the DPR finalization.</p>	NOC & Under taking for	obtained from	Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala.	Darbar Hall	Public Works Department.	Gulabi Kothi	Department of Health	Please Refer to Appendix 6 and Operation and Maintenance Page 23 to 24
NOC & Under taking for	obtained from										
Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala.										
Darbar Hall	Public Works Department.										
Gulabi Kothi	Department of Health										

		<p>The buildings after repaired will be reused for following uses:</p> <ul style="list-style-type: none"> • Buggy Khana as Urban Haat • Gulabi Kothi as Heritage Hotel • Gol Kothi as Heritage Hotel which will be given on PPP mode. • Darbar Hall is proposed to use by Department of Archives to exhibit and store its archival material of the districts of Kapurthala, Jalandhar, Gurdaspur, Pathankot and Amritsar. It will also house interactive digital library for archival studies. (The works for reuse for Darbar Hall will be taken up by Department of Cultural Affairs Archaeology and Museums). 	
2.	<p>BUGGY KHANA.</p> <p>Presently the building is being used by the police department. What is the plan to relocate them? Is there an NOC from them? What is the reuse plan for the building? May be asked to attach NOC from the Home department.</p>	<p>The Department of Police is using a very small space of the entire complex. The other structures within the complex are lying vacant with no use. The works envisaged are mainly for the structures lying vacant with minor refurbishments in space utilized by Police Department.</p> <p>There is no intention of relocating the Police Station. However, the Department of Police is shifting by its own to the new premises (Administrative Police and Judicial premises) by December 2014.</p> <p>DC is the asset owner, who has issued the NOC. The reuse plan of building is proposed as Urban Hatt.</p>	Please Refer to Section B, Page 5 (Need Demand and Supply)
3.	<p>BHOOT BANGLA / GULABI KOTHI. There is ligation going on over this building. Its ownership is in dispute. It is presently occupied by a semi military organisation. Is there a relocation plan? Attach ownership records and a NOC from the present occupants.</p>	<p>The court has given verdict in favor of Government and the present legal owner of the property is the Health Department. NOC from the Health Department has been obtained.</p> <p>One room in the complex is occupied by the Home guards for watch and ward of the property When the conservation works commences, the home guards will return to their departmental barracks.</p>	
4.	<p>OUTER WINGS OF DARBAR HALL. This building has several offices in it. What is the plan to relocate</p>	<p>The wings of Darbar hall are occupied with offices. Whereas, the works proposed are in the main Darbar hall building which is lying vacant. However, the wings will also be vacated by judiciary as new office complexes have been constructed for the offices.</p> <p>Darbar Hall is proposed to use by Department of</p>	Please refer to Section B. Existing Situation, Page 12.

	the revenue administration and the district courts? What is the reuse plan for this very large building?	Archives to exhibit and store its archival material of the districts of Kapurthala, Jalandhar, Gurdaspur, Pathankot and Amritsar. It will also house interactive digital library for archival studies. The works for reuse plan for the Darbar Hall for the ADB Tranche 3 includes only conservation works. The reuse of Darbar Hall will be taken up by the Department of Cultural Affairs Archives and Museum.							
5.	GOL KOTHI. This is free from all encumbrances, it is owned by the department of Culture. However, is there a reuse plan for this building?	There is a reuse plan for Gol Kothi, which includes provision of Heritage Hotel within the Kothi.	Please refer to Appendix 9						
6.	PWD REST HOUSE. This is owned by the PWD and is used by all visiting officers / official guests. Will the PWD rest house be converted into tourism accommodation managed in PPP?	The scope of works does not include any works inside the PWD Rest House. The works proposed are only related to site development, which includes provision of tourist facilities such as provision of restaurants, toilets and parking facilities. Hence PWD rest house will not be converted to tourist accommodation.							
7.	NAKODAR -BARADARI and GATEWAY. Who is the owner of these buildings? Who is in occupation? Does "Urban Hatt" means that shops will be opened in these buildings, could a site map be attached?	The subproject has now been dropped from the scope of work.							
8.	O&M – states that PHTPB will be the asset owner of these buildings. Has the ownership of all these buildings been transferred to them? At present not a	<p>PHTPB is not the asset owner of these buildings. Following are the asset owners for these buildings:</p> <table><tr><th>Buildings/structures</th><th>Asset owners</th></tr><tr><td>Buggey Khana, Gol Kothi and Civil Rest House</td><td>Deputy Commissioner of Kapurthala.</td></tr><tr><td>Darbar Hall</td><td>Public Works Department.</td></tr></table>	Buildings/structures	Asset owners	Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala.	Darbar Hall	Public Works Department.	Please refer to and Maintenance Page 23 to 24
Buildings/structures	Asset owners								
Buggey Khana, Gol Kothi and Civil Rest House	Deputy Commissioner of Kapurthala.								
Darbar Hall	Public Works Department.								

	single building belongs to them.	Gulabi Kothi	Department of Health													
9.	Check list matrix -4 what does the tourism master plan say about these buildings and there reuse? The relevant portion may be attached.	Relevant portions of UNWTO Tourism Master Plan is being attached		Please refer To Appendix 9.												
10.	Eligibility criteria (iv)- What is the nature of “user charges, environment levies, and entrance fee” that will help recover the cost?	The users as considered for estimation of revenue streams are as follows:- <table><tr><td>Visitor Entry fee per visitor (various locations, all inclusive)</td><td>40 INR</td></tr><tr><td>Public Toilets - User fee</td><td>5.00 INR/use</td></tr><tr><td>Parking fee per vehicle</td><td>10.00 INR</td></tr><tr><td>Film shooting User charge</td><td>25,000 INR/Day</td></tr><tr><td>Cafeteria- Revenue from Leasing</td><td>50.00 INR/Month/sqm</td></tr><tr><td>Kiosks - Revenue from Leasing</td><td>50.00 INR/Month/sqm</td></tr></table>		Visitor Entry fee per visitor (various locations, all inclusive)	40 INR	Public Toilets - User fee	5.00 INR/use	Parking fee per vehicle	10.00 INR	Film shooting User charge	25,000 INR/Day	Cafeteria- Revenue from Leasing	50.00 INR/Month/sqm	Kiosks - Revenue from Leasing	50.00 INR/Month/sqm	Please refer to Appendix 2 Financial analysis
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Kiosks - Revenue from Leasing	50.00 INR/Month/sqm															

APPENDIX 6: NO OBJECTION CERTIFICATES AND UNDERTAKINGS**No Objection Certificate for Kapurthala****No Objection Certificate**

It is certified that there is no objection proposed project
Constructions. The detail of buildings are as under:-

1. The Jagatjit Palace (163 Acres 3 Kanal 18 Marlas) Kapurthala , is under the ownership of Punjab Govt and is under the possession of Sainik School (Ministry of Defence)
2. The Baghi Khana (4 Acre 1 Kanal 7 Marlas) is under the ownership of Punjab Govt and is under the possession of Punjab Police.
3. The Gol Kothi , Kapurthala (1 Acre) is under the ownership of Punjab Govt and is under the possession of Heritage, Kapurthala.
4. Civil Rest House, Kapurthala (4 Acres) is under the ownership of Punjab Govt and is under the possession of P.W.D., Kapurthala.

is executed by PHTPB of the Tourism Department(Punjab) as per the guide lines of Govt. of India and ADB loan funded projects under IDIPT at Kapurthala.

Place : Kapurthala
Date: 4/6/2013

Sub Divisional Magistrate,
Kapurthala

Tehsildar,
Kapurthala
TEHSILDAR
Kapurthala

Counter Signed

Deputy Commissioner,
Kapurthala

Undertaking for Kapurthala

CERTIFIED AND UNDERTAKING

It is certified that :

1. a) The Jagatjit Palace (163 Acres 3 Kanal 18 Marlas) Kapurthala, is under the ownership of Punjab Govt and is under the possession of Sainik School (Ministry of Defence)
- b) The Baghi Khana (4 Acre 1 Kanal 7 Marlas) is under the ownership of Punjab Govt and is under the possession of Punjab Police.
- c) The Gol Kothi, Kapurthala (1 Acre) is under the ownership of Punjab Govt and is under the possession of Heritage, Kapurthala.
- d) Civil Rest House, Kapurthala (4 Acres) is under the ownership of Punjab Govt and is under the possession of P.W.D., Kapurthala.
- 2) There is No encroachment and No resettlement/displacement /rehabilitation of people involved in the above proposed project area/building/land.
- 3) The proposed Project is not Partially/Fully part of any other project funded under any other scheme/programming of the State/Central or any external funding.
- 4) The assets created as a result of the execution of above states project will be taken over for operation and maintenance by Archeological Department.

Place : Kapurthala

Date: 4/6/2013


 Sub Divisional Magistrate,
 Kapurthala


 Tehsildar,
 Kapurthala

Counter Signed


 Deputy Commissioner,
 Kapurthala


No Objection Certificate for Buggy Khana

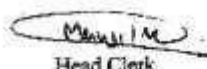
Annexure-1

NO OBJECTION CERTIFICATE

1. It is certified that there is no objection for the proposed project construction/renovation.
2. The Baghi Khana (4 Acre 1 Kanal 7 Marlas) is under the ownership of Punjab Govt. and is partly under the possession of Punjab Police.
3. It is executed by PHTPB of the Tourism Department (Punjab) as per the guidelines of Govt. of India and ADB loan funded projects under IDIPT at Baghi Khana Kapurthala.

Place: Kapurthala
Date: 1.10.14


Superintendent of Police
Hqrs. Kapurthala


Head Clerk

Countersigned


Senior Superintendent Of Police
Kapurthala


Annexure-II

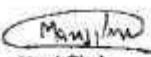
NO OBJECTION CERTIFICATE

It is certified that :-

1. The Baghi Khana (4 Acre 1 Kanal 7 Marlas) where the IDIPT Project is proposed for execution by PHTPB of the Tourism Department(Punjab), is under the ownership of Punjab Government and is under the possession of Punjab Police(partly).
2. There is NO encroachment and NO resettlement/displacement/rehabilitation of people involved in the above Proposed Project area/building/land.
3. The proposed Project is not Partially/fully part of any other project funded under any other scheme/programme of the State/Central Government or any external funding.
4. The assets created as a result of the execution of above stated project will be taken over for operation and maintenance by Punjab Police.

Place: Kapurthala
Date: 1.10.14


Superintendent of Police
Hqrs. Kapurthala


Head Clerk

Countersigned


No Objection Certificate for Darbar Hall

NO OBJECTION CERTIFICATE


It is certified that there is no objection if the proposed project namely **Darbar Hall Building, Kapurthala** is executed by PHTPB of the Tourism Department (Punjab) as per the guide lines of Govt. of India and ADB loan funded projects under IDIPT at **Kapurthala near Baghi Khana, Kapurthala** measuring total covered area 1.60 Acre.

Place:- Kapurthala

Date:- 30.09.2014


Executive Engineer
Construction Division No.2,
P.W.D (B&R) Br. Kapurthala.*

Counter Signed


Deputy Commissioner
Kapurthala.

Undertaking for Darbar Hall


CERTIFICATE AND UNDERTAKING

It is certified that

1. The total area covered area 1.60 Acre where the **Darbar Hall Building, Kapurthala** project is proposed, for execution by PHTPB of the Tourism Department (Punjab) is under the ownership of Provincial Government and is under the possession of Executive Engineer, Construction Division No.2, P.W.D (B&R) Br. Kapurthala but at present occupied by Judiciary Administrative Department and Police Department.
2. There is NO encroachment and there will be displacement of people involved in the above Proposed Project area/building/land.
3. The proposed Project is not Partially/Fully part of any other project funded under any other scheme/programme of the State/Central Govt. or any external funding.
4. The assets created as a result of the execution of above stated project will be taken over for operation and maintenance by Public Works Department (Building & Roads) (Punjab).

Place:- Kapurthala

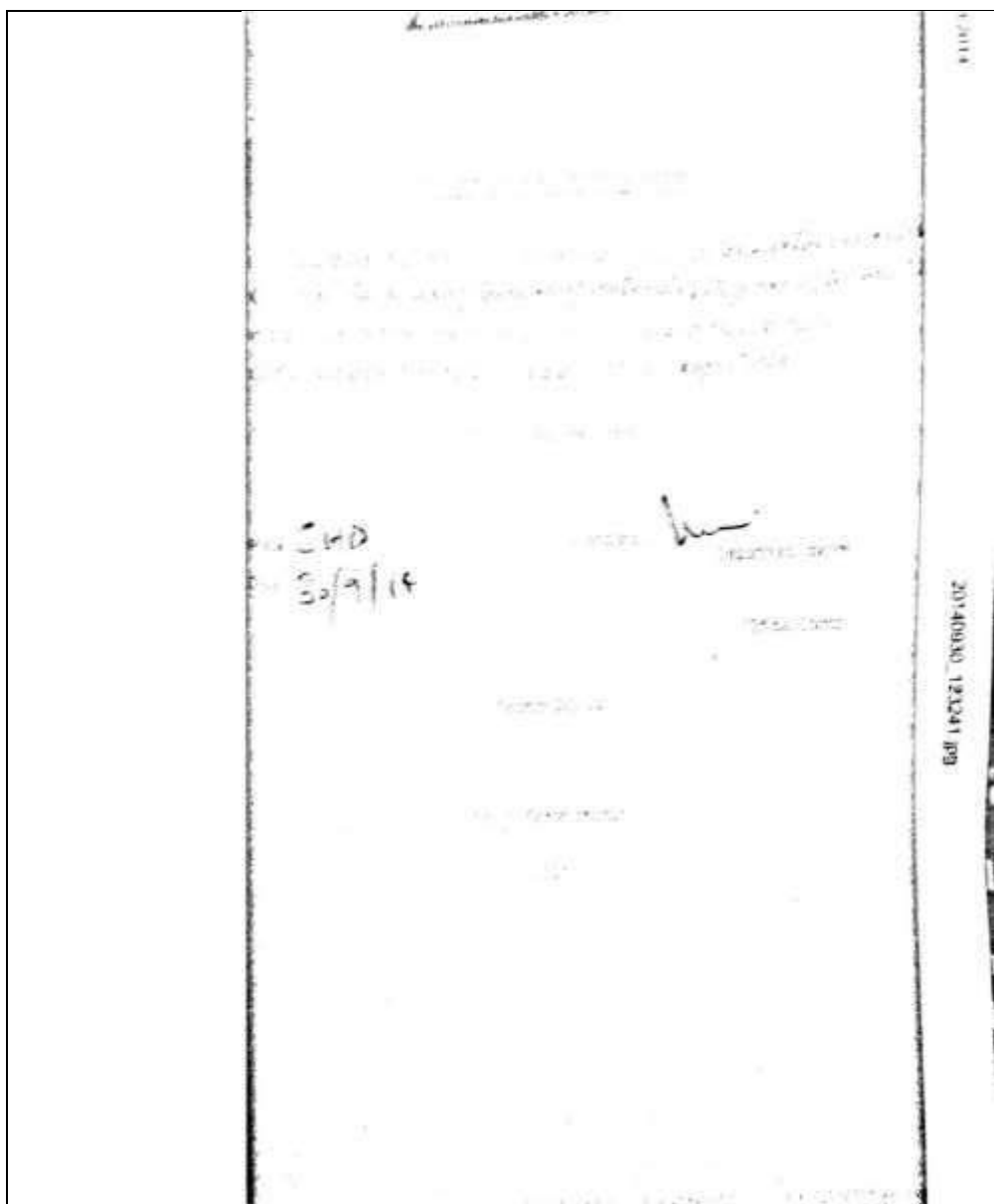
Date:- 30.09.2014


Executive Engineer
Construction Division No.2,
P.W.D (B&R) Br. Kapurthala.*

Counter Signed


Deputy Commissioner
Kapurthala.

No Objection Certificate for Gulabi Kothi



Undertaking for Gulabi Kothi

CERTIFICATE AND UNDERTAKING

I, the undersigned,

1. The Gulabi Kothi at Kapurthala Distt. Kapurthala

2. The conservation and restoration of Gulabi Kothi including land
scaping, external lighting and visitors facilities is proposed for
 execution by PHDPB of the Education Department (Punjab) is under the ownership of
Health Dept and is
 under the possession of Health Dept

3. There is NO encroachment and NO resettlement/evacuation/rehabilitation of
 people involved in the above Proposed Project area/building/land.

4. The Project and Proposed work is not a part of any other project funded under any
 external source/program of the Govt of India or any external funding.

5. The assets created by a part of the above Project will be taken
 over by Health Dept for the maintenance and operation.

For (HARDWARE)
 Date 2/9/16

For (Software)
 Date 2/9/16

Signature
S. S. Rana

Department/Organisation/Office
Health Dept

APPENDIX 7: PROJECT PICTURES



Buggey Khana



Buggey Khana



Buggey Khana



Darbar Hall



Darbar Hall



Gol Kothi



Gol Kothi



Gulabi Kothi



Gulabi Kothi

APPENDIX 8: TERMS OF REFERENCE FOR COMMUNITY BASED TOURISM

TERMS OF REFERENCE

COMMUNITY-BASED TOURISM INCLUDING SKILLS DEVELOPMENT FOR PUNJAB

1. Background

The Infrastructure Development Investment Program for Tourism (IDIPT) is a project with assistance from Asian Development Bank (ADB) which envisages an environmentally and culturally sustainable and socially inclusive tourism development in State of Punjab. The expected impact of the Project is sustainable and inclusive tourism development, in priority tourism sub-circuits divided into marketable cluster destinations that exhibit enhanced protection and management of key natural and cultural heritage tourism sites, improved market connectivity, enhanced destination and site environment and tourist support infrastructure, and enhanced capacities for sustainable destination and site development with extensive participation by the private sector and local communities.

This Terms of Reference is for providing consulting services under IDIPT for preparation of cultural heritage education, outreach and cultural tourism skills development program.

This work is intended to be carried out by a Non-Governmental Organization (NGO) / institution / trust / association / consultancy firm, in the role of 'Community-based Tourism and Skill Development Consultant (CTSDC)' on behalf of the Punjab Heritage and Tourism Promotion Board (PHTPB), the Implementation Agency for IDIPT-PB.

A multi-domain approach and synchronizing as well as merging of activities across domains will characterize the success of such a program, providing a complete experience not only to the tourists but also reawakening and reviving culture for residents of the state.

3. Objectives of the Project

Through the current assignment under IDIPT, PHTPB plans to undertake a comprehensive education and outreach programme for various stakeholders in tourism sector, and skill development for local community. For stakeholders, the programme will impart etiquette and interaction skills with tourists from different cultures. For artisans, the programme will train them to operate high efficiency equipment, design high-value added products and will offer access to marketing and distribution infrastructure to enhance earning potential. Attracting youth to this sector will help rejuvenate the traditional economy in Punjab.

The main purposes of this assignment are to:

- Train various stakeholders in Project Town as well as selected individuals from this cluster of Panchayats / Towns on heritage management and tourism-related skills.
- Ensure access for communities and local entrepreneurs including women to tourism related livelihoods and income generation with marketing linkages.
- Ensure availability of related equipments and institutional mechanisms for community-based eco-tourism.
- Generate sex-disaggregated database in project area and to develop proper marketing strategy for livelihoods of community groups based on market research and elaborate gender-sensitive value chain analysis of the key products..
- Make communities and other stakeholders aware on project activities, need and

potential of tourism in their areas and their roles as well as responsibilities.

- Define product development, distribution and marketing framework for promoting the cultural heritage values of Punjab in India and abroad.
- Provide appropriate information and education on the cultural heritage of the region to the host communities;
- Establish community-based societies, institutions and groups and to make them functioning in the management of tourist sites.
- Establish regulation mechanism in place for fostering community based tourism products including home stay arrangements and traditional culture and crafts with focus on women participation through certification strategy.

As part of this project initiative, there is a need to ensure participation of local communities in tourism-related economic and livelihoods activities through capacity building and skill training mechanisms. This has to be done by mobilising the communities and making their collectives and groups so that they are organised not only to participate in management of tourism activities and services but to get access to livelihoods opportunities being generated in the process of implementation of this project.

4. Area of operation

The intervention area of this assignment is spread over xxx clusters of Panchayats located in xxxx district of the state as shown in Table 1 below. In all, the cluster consists of xxx Panchayats. All the villages within a Panchayat would be considered for project activities.

Table 1: Clusters with Panchayat and Villages

Cluster No.	Name of the Cluster	Panchayats in Cluster	Villages in Panchayat
1	xxxxxxx	xxxxxx	xxxxxx
		xxxxxx	xxxxxx
		xxxxxx	xxxxxx
		xxxxxx	xxxxxx

5. Scope of Work

5.1 Identification of tourism resources and data compilation on existing community organisations involved in local crafts:

Conduct an entry-level workshop at the cluster level involving selected representatives from local community organizations (such as local women's organizations, youth groups, existing SHGs, etc.) and local leaders of Panchayats / Towns among others. At least 30% participants should be women. Develop cluster-level tourism resource inventory / maps using Participatory Rural Appraisal (PRA) tools for Institutional Diagrams, Seasonal Calendars, Training Need Assessment and other relevant deliverables. Community leaders to spearhead the tourism project would be identified. Prepare workshop reports.

5.2 Value Chain Analysis of Key identified products:

Undertake value-chain analysis of key identified local products, Home stays and Farm Tourism-based activities. Prepare methodology & timeline to market various products/schemes in agreement with Project Management Unit and generate a detailed report including action plan for the same.

5.3 Market Research, Formulation of a Marketing Strategy and a Marketing Framework

Undertake primary market research by preparing questionnaires (minimum 100 in number covering various scales of operation) and gathering market data relating to various products/schemes. It would be conducted at major locations involving various stakeholders. The marketing strategy will be based on this research.

5.4 Formation of Community Tourism Groups & institutions along with their registration

Form user / activity-based Self-Help Groups (SHGs) in Panchayats of the cluster depending on the data generated at the entry-level workshop. Promote savings and credit activities within the formed SHGs. Community-based societies/organizations formed by the selected Firm / Agency have to be trained in appreciation of historical, natural and cultural heritage sites.

5.5 Participation in workshop for Development of Promotional Material

Participate and send local artists in a workshop which will be organised by the Firm / Agency engaged under this project to develop promotional material using community skills. This will be organised involving local artists to generate popular means of educational entertainment including songs, street play etc.

5.6 Conduction of Mass awareness activities in the villages/ towns of the cluster:

Utilizing various mass media tools , spread awareness in local communities on community tourism, cleanliness, do's and don'ts with tourists, solid waste management etc. This will also be done through published manuals made available. Also organise "Clean village competitions" among Panchayats of the clusters at least twice a year with prizes to be distributed among winning Panchayats and stakeholders. This should also include community training on safety and security of women tourists.

5.7 Awareness programs among school children:

Conduct awareness program among school children in the schools of selected Panchayat on tourism, its importance and role of children in tourism added with competitions on tourism especially on solid waste management. It would be done at least twice in a year in all schools within the cluster and prizes would be distributed among participating children.

5.8 Participation in Exposure Visits of the SHGs :

Ensure Participation of selected community leaders belonging to SHGs (15 participants in one visit and should have at least 30% women) so that they have first hand insight into exemplary work done by other community groups within the state. Coordinate with the Firm / Agencies engaged in other clusters, if any, for this joint planning of exposure visit.

5.9 Participation in Exposure visits of Successful Clusters:

Ensure participation of selected cluster representatives to training and marketing events organized at successful clusters in other states to gain exposure of operations, training and marketing practices. Highlight success stories of women in craft promotion.

5.10 Skill Trainings

Conduct following trainings for skill building of community groups (30% target for women in skills training) and make them capable to access livelihood resources based on crafts or tourism:

- Organise and conduct **Cultural Interpretation Guide Training** at the cluster

level for selected members of SHGs which would be residential training for a batch of 20 persons.

- Organise and conduct **Home stays Trainings** at basic and advanced level for women of selected Home stays at the cluster level and it would be non residential for a batch of 20 women of identified Home stays.
- Organise and conduct basic and advanced level **Handicraft Production Trainings** in the cluster and it would be non residential for a batch of 20 women from selected SHGs.
- Organise and conduct **Handicraft Value Addition and Packaging Training** for selected representatives of SHGs in the cluster as non-residential training.
- Organise and conduct a **Solid Waste Management Training** at the cluster on non-residential basis for 20 community representatives in the cluster.
- Organise and conduct basic and advanced level non-residential **Cooking Training** for 20 women of identified Home stays at the cluster.
- Organise and conduct residential Cultural Group Training for 20 persons selected from SHGs/ Youth Groups at the cluster to inculcate proper ways to present their culture as well as cultural programs to the tourists.
- Organise and conduct basic and advanced level non-residential **Organic Farming and Woofing Training** for 20 persons of identified Home stays.
- Organise and conduct non-residential **Ancillary Service Provider Trainings** for each of these service providers namely Taxi Drivers; Restaurant and Dhaba Owners; and existing Primary and Secondary Accommodation Providers at the cluster. There would be training for each of these categories in a batch of 25 persons for a day giving them manuals as well.
- Organise and conduct basic and advanced level non-residential **Communication and Marketing Training** at the cluster for representatives of SHGs / leading institutions.

5.11 Linking trained SHGs and tourism societies to income generation entrepreneurship:

Familiarize trained SHGs and other groups to income generation activities by identifying opportunities under various government schemes and link them to credits and other such facilities for their livelihoods generation.

5.12 Pictorial and Text Documentation of all tourism products in the area:

Popularize documentation of tourism products and related activities in pictorial and text form, and prepare case notes on successful interventions so that it can be used as learning and knowledge management tool.

Design relevant brochures on tourism products of each cluster in consultation with Project Management Unit along with maps & contact information. Also produce Banners and Displays to be used at entry level centres.

5.13 Creation of Website Content:

Create website content with useful and necessary information which can be easily accessible by potential tourists.

5.14 FAM Tours of Tour Operators:

Organise one FAM tour of chosen small Rural / Eco-tour operators in the cluster

areas where such potential exists. Take the tour operators to sites and familiarise them with existing facilities and services regarding rural/eco-tourism in the area. Make them aware about community based services like Home stays and orient them on operational mechanisms of tourism activities.

5.15 Participation in Workshop for making certification rules of Home stays:

Identify participants from the cluster and make them participate in an interactive workshop for discussing and internalising certification rules of Home stays. Implement actual process of certification of Home stays along with developing it's brand. Ensure that all home stays are registered with Department of Tourism and they display brand logo in the cluster areas.

5.16 Certification of guides & other skilled human resources under a single brand:

Ensure that all guides and other skilled human resources have got certification as per approved norms and guidelines and they represent a single brand.

The Firm / Agency will ensure that Gender Equity and Women's Empowerment approaches are adopted in all aspects of program design and implementation under this sub-project.

Table: Key Deliverables and Time for completion of task

No.	Key Deliverable	Timeline
1.	Desk Research & Entry level workshops and generation of tourism resource information	
2.	Value Chain Analysis of key identified products	
3.	Marketing Research	
4.	Formation and Development of activity based Self-Help Groups (SHGs) of stakeholders	
5.	Nurturing of SHGs with regular meetings, capacity building and bank linkages	
6.	Formulation of Marketing Hub at Amritsar	
7.	Institutional Training for SHGs and Other Stakeholders / leaders converged as cluster level institutions	
8.	Mass awareness about tourism and its benefits among various stakeholders living in surrounding sites using street plays, wall writings and other innovative mass media	
9.	Clean Village competition in selected Panchayats and Awareness among school children with competition and prizes	
10.	Participation in Exposure visit of SHGs	
11.	Participation in Exposure visit of successful clusters	
12.	Cultural Interpretation Guide Training for SHGs / other representatives	
13.	Home stays Trainings in Basic and Advanced Level of Selected Home stays at cluster level	
14.	Basic and advanced level Handicraft Production Trainings	
15.	Handicraft Value Addition and Packaging Training	
16.	Solid Waste Management Training	
17.	Basic and advanced level non-residential Cooking Training	

No.	Key Deliverable	Timeline
18.	Residential Cultural Group Training	
19.	Basic and advanced level non-residential Organic Farming and Woofing Training	
20.	Ancillary Service Provider Trainings for – Police, Rickshaw/Taxi Drivers; Restaurant and Dhaba Owners, Guides; and existing Primary and Secondary Accommodation Providers	
21.	Basic and advanced level non-residential Communication and Marketing Training	
22.	Linking trained SHGs to income generation activities by identifying such opportunities available with government schemes	
23.	Creation of Website Content at cluster marketing	
24.	Production of brochures and other innovative print medium with maps and contact details	
25.	Organizing FAM tour of Tour Operators	
26.	Certification of guides and other skilled human resources	
27.	Submission of Monthly Accounts	
28.	Reporting and Documentation (Inception, Monthly, Completion) with photos and audio / video documentation of each event.	

8. Project Team:

The Project Team shall comprise of the following key experts.

No.	Key Person / Expertise	Estimated Inputs (man-months)
1	Social / Community Development Expert	30
2	Product Design and Marketing Expert	18
3	Community Organizer / Training Expert	24
4	Community Organizer / Outreach & Livelihood Expert	24
5	Gender Specialist	18
6	Communication Specialist / Designer	12

In addition, there will be field teams during various stages in the project. The field teams shall have an adequate representation of women.

The details of the education and experience required for each position and terms of reference of each Key Expert as follows:

(i) Social / Community Development Expert

Post-Graduate in Social Sciences / Social Work / Rural or Urban Development / Tourism preferably with 8 years of professional work experience in community development, cluster development projects, producer empowerment. Has competency in writing proposals, organizing producer groups, capacity building, leadership development programmes, building micro-enterprises, etc. Experience within Punjab state is essential..

(ii) Product Design and Marketing Expert

Post-Graduate in Marketing preferably with 5 years of professional work experience in

carrying-out marketing, skill-based training, community development programmes and rural / eco-tourism implementation programmes, documentation, Information, Education and Communication (IEC) programmes. Should have experience of minimum of 2 years in the crafts field in developing contemporary market-driven products, and should also have experience in merchandising, sampling and implementing large scale of orders. Should possess strong networking skills between buyers and designers, implementing craft projects, organizing exhibitions.

(iii) Community Organizers:

Graduate in Social Sciences / Social Work preferably with 3 years of professional experience in carrying out community development activities, and formation / strengthening of Self Help Groups, skill development and developing alternative income generation activities in the communities. Should possess skills of transferring knowledge to communities about the activities and programmes undertaken through Central and State governments. Should have competency in organizing group meetings organizing skill and design workshops, market linkages to producers, implementing craft projects, organizing exhibitions and workshops etc. Preference would be given to persons with local experience and well-versed with local traditional crafts.

(iv) Communication Specialist / Designer

Post graduate degree in Journalism and Mass Communication with minimum 10 years of experience in IEC activities (both print and electronic media, article and story writing skills) with leading NGOs/Govt. organization or Externally Aided Projects. Good writing and communication skills with command over English and Punjabi and Hindi Languages. Experience of working in tourism/rural development projects will be an added advantage while shortlisting of technical proposal.

Responsibilities: Networking and coordination with multi-stakeholders to assess the need for developing print and electronic medium of communication.

- Development of site specific IEC material in local languages.
- Design IEC activities as per the field and project requirements.
- Develop strategy and facilitate media in a positive manner.
- Prepare articles, newsletters, stories, advertisements etc. Assisting TL in ensuring overall quality documents and reports as per GoP and ADB standards.

(v) Gender Specialist

To inform the development of a strategic/operational plan to improve gender integration and equality in Tourism. The Gender Specialist will a. Conduct gender case studies across Facility Activities supported by DAFA that examine the impact of gender on implementation and outcomes/outputs of Activities; b. Provide critical support to the DAFA Activity implementation team for the implementation of those Activities that have a specific gender focus; c. Identify and assist the implementation of strategies to improve the participation of women and marginalized groups in Facility Activities; d. Review and facilitate the implementation of the DAFA Gender Strategy by the Facility; and e. Provide specific support to the Australia Awards Program to increase Gender Equity as identified in the DAFA Phase III Design Document, and

provide advice to the Facility Manager and partner Ministries on how to facilitate greater representation of women in Australia Awards.

Responsibilities Masters' degree in a relevant field or equivalent experience in gender and development- required

- Minimum five (5) years as a senior gender adviser and including public sector policy formulation experience- required
- At least 10 years of experience working on gender and development and social inclusion issues with men and women in an Islamic country context in the South Asian region.
- Demonstrated experience in policy advocacy, and social education and training on gender and social inclusion.
- Demonstrated high level written and verbal communication skills in English - required.

Skills of the Project Team

- i. Should be able to conduct diagnostic survey and preparation of project plan and community empowerment for mobilization of artisans
- ii. Should be able to design and organize market-oriented training programmes (Skill training, design development), soft-skills training, Entrepreneurship Development programmes, awareness programmes, etc.
- iii. Should be able to prepare business plans for micro enterprises, Working capital plan (includes Financial Management i.e. Savings, Minimum Working Capital in hand), Cash flow plans (covering Inventory management, Costing, pricing and margins)
- iv. Should be able to prepare plans for quality control, value-addition skills
- v. Should be able to connect producers to State / Central Government welfare schemes
- vi. Should be able to define marketing linkages for producers, artisan communities / groups, public / private agencies, etc.

9. Working Arrangement:

- (i) Firm / Agency will prepare and make available promotional materials (program & implementing strategies, IEC materials like posters, pamphlets, fliers, DVD's and any other publication material pertaining to awareness) on community based rural / eco-tourism as per the deliverables. Printing of manuals, posters, strategies, workshop reports, etc. would be done by PHTPB under IDIPT.
- (ii) Firm / Agency would be responsible for designing, along with the village communities and SHGs, one set of Common Facility Centre (40-50 sqm), souvenir shop, including tourist information centre as model project. It's location would be identified in cooperation with the district administration / panchayat. Cost of construction would be borne by PHTPB under IDIPT.

11. Period of Contract: 30 months

APPENDIX 9: EXCERPTS FROM UNWTO REPORT

Some of the excerpts from UNWTO concerning the subproject has been given below. The proposal is to develop the projects on PPP mode (Refer highlighted text).



The Jagatjit Club is a Classic Greco-Roman-inspired building along Mall Road. It is within walking distance from both the Jagatjit Palace and the State Guest House. It is now used as a sports and social clubhouse offering badminton, billiards, indoor games, and wide grounds.

Should it become available, the Jagatjit Club can be transformed into an Interpretation Centre for the Jagatjit Cluster. It can have parking for private vehicles and coaches, a café, a souvenir shop, heritage restaurant, and toilets.

Gol Kothi and Jubilee Hall

About 70 metres to the northwest of the State Guest House is the **Gol Kothi**, a round shaped mansion that is at the northwest entrance of the State Guest House Complex. The Gol Kothi also lies at the end of the road that connects the Jagatjit Cluster with the Durbar Hall Cluster (to the northwest). **The Gol Kothi can be converted into a boutique hotel with a heritage restaurant although it will be quite expensive considering that most of the mansion has fallen apart.**



Gol Kothi



Jubilee Hall

Also from the rotunda (northwest of the Gol Kothi) is another viewing corridor to the southwest that terminates at the **Jubilee Hall** (1916). The Jubilee Hall, which was built to celebrate the silver jubilee of Maharaja Jagatjit Singh's rule in 1916, is now occupied by the Nawab Jassa Singh Ahluwalia Government College (a.k.a. Randhir College) and is not open to the public. An enhanced description of the buildings' origins and history at the gates will enhance the visitor experience. In the vicinity of the Jubilee Hall is the **State Gurdwara** (although, it is about the same distance from the Durbar Hall Cluster).



Table 9: Project Viability Evaluation Results

Evaluation Method	Evaluation Result
Payback Method	6 to 7 Years
Net Present Value Method (NPV)	Rs 144 million
Internal Rate of Return Method (IRR)	15%

Source: Consultants' Estimates

The projections have been prepared conservatively and at 2008 values with no allowance made for inflation, the possible raising of room rates or any improvements to room occupancy beyond 60%. Construction/conversion costs are indicative and may be lowered if local circumstances permit but could be higher if difficult property conditions are encountered. However, taken together, these factors may allow this conservative approach to support improved profitability in the future.

Baggi Khana



Baggi Khana



Baggi Khana

Just across the Sultanpur Lodhi Road from the Durbar Hall is the Baggi Khana or Carriage House, which used to house the horses and carriages of the Kapurthala Lancers. The Baggi Khana consists of two concentric buildings (one inner circle and an outer circle) that both have entrances lined up with the southwest service lane of the Durbar Hall (at the back of Durbar Hall). The alignment of the Baggi Khana gateways to the Durbar Hall should become the linkage between the two buildings. This axis therefore penetrates from the southeast building of the Durbar Hall (the proposed hotel) all the way to the inner courtyard of the Baggi Khana.

The Baggi Khana is presently used by a police unit assigned to the District Courthouse. The imminent relocation of the District Courts from the Durbar Hall to another site will also mean the transfer of the police unit.

The Baggi Khana's circular configuration and proximity to the Durbar Hall makes it a perfect place for arts and crafts shops, art galleries, studios, and restaurants – the Maharaja Mall. The outer circular building presents challenges because of its narrow spaces but it can easily accommodate smaller shops that sell souvenirs and smaller items. The inner circular building that used to house the carriages are wider and will



War Memorial

Adjacent to the Moorish Mosque is the War Memorial (1927), a red sandstone building designed in the Indo-Saracenic style of architecture.



War Memorial



Bhoot Bangla

4.5 Other Heritage Buildings

There are other interesting heritage buildings in Kapurthala that are some distance away from the heritage clusters but are still worth viewing.

The **Villa Buona Vista** (1899) was once the hunting lodge of the Maharajas and is now used as the residence of the grandson of Maharaja Jagatjit Singh. Since it is a private residence, it is not open to tourists.

The somewhat rundown **Bhoot Bangla** is another heritage building along the road going to the Kanjli Wetlands. The building could be restored and reused as a heritage hotel under a PPP arrangement. The hotel could cater to both tourists that are interested in Kapurthala's heritage structures and tourists interested in the ecosystems of the Kanjli wetlands. The Bhoot Bangla has a large compound that can be used for parking, landscaped gardens and other uses.

Evaluation of the Conversion of the Bhoot Bangla to a Hotel

Restoration and conversion of the Bhoot Bangla to a small scale heritage hotel would not only be entirely in keeping with the nature of the building and the wider context of the development of Kapurthala as a heritage focussed tourist destination, but in market terms it will also offer an accommodation product which is quite distinct from the hotel proposals being made for the Jagatjit Palace and the Durbar Hall. The more domestic scale of the property allows a more intimate style of operation to be delivered by an owner/operator or small luxury hotel group and it is suggested that the Bhoot Bangla might be a very suitable opportunity for the owners of the highly regarded Ranjit's