NABARD

Ref.No.NB.Assam.SPD/ /RIDF XXVI (PWD 85 RR)/191st PSC/2020-21

16 February 2021

The Hon'ble Governor of the State of Assam

Through

The Principal Secretary
Finance Department
Government of Assam
Janata Bhawan
G.S.Road, Dispur
Guwahati - 781 006

Category of the Project	**: Rural Infrastructure Development Fund (RIDF) -XXVI**
Name of the Project	**: 85 Rural Road Projects**
Loan sanctioned	**: Rs. 65977.31 lakh**

Dear Sir

Please refer to the captioned projects forwarded by you for our consideration for providing loan assistance under the Rural Infrastructure Development Fund (RIDF)–XXVI. We are pleased to inform you that we have sanctioned loan for the same as per the details given below:

i.	Type of Project	:	Rural Road Projects
ii.	No. of Projects	:	85
iii.	Outlay	:	Rs. 73308.13 lakh
iv.	Expenditure already incurred by Govt. of Assam upto 31 March 2020	:	Rs.0.00 lakh
v.	Loan from NABARD	:	Rs. 65977.31 lakh
vi.	Further, amount to be contributed by the State Government	:	Rs. 7330.82 lakh
vii.	Cut-off date for reimbursing the expenditure	:	Work done / expenditure incurred from 01.04.2020.
viii.	Period of completion of the project	:	31 March 2024

ix.	Rate of Interest	:	Bank rate (as on date of disbursement) minus 1.5% (please also see para 8 of General Terms and Condition)
x.	Period of loan	:	7 years from the date of drawal, including a grace period of two years. **(As per para 9 of General Terms and Conditions)**

2. This sanction is subject to:

i) Acceptance of

a. the terms and conditions and phasing contained in this sanction letter and its Annexure-I **(Financial Details), Schedule-I (Display Board)** issued in the name and on behalf of Governor of the State through duly authorized official of the Government of Assam.

b. the general terms and conditions and other conditions relating to the concerned sector/ activity as already circulated vide NABARD's letter No.NB/SPD/1484-1512/B-123 (RIDF-Gen)/2006-07 dated 06 September 2006 addressed to Finance Secretary of all State Governments *with following amendment in* ***para 8 of the General Terms and Conditions : Rate of Interest on outstanding loans -***

(i) The rate of interest to be paid by the State Government on the borrowings under RIDF shall be prescribed by RBI/GoI from time to time. Presently it is fixed at 1.50% below the Bank Rate applicable as on the date of disbursement. Bank Rate is decided by RBI from time to time and so is floating rate. Therefore, the interest rate on RIDF loan would vary as per the changes in the Bank Rate.

(ii) The interest shall be paid on quarterly basis at the end of each quarter i.e. 31st March, 30th June, 30th September and 31st December every year. The interest shall be paid by the State Government on the first day of the month succeeding the quarter. Interest is payable during the grace period also.

(iii) If the State Government fails to pay the interest on due date(s), it shall be liable to pay interest on the overdue amount at the same rate as applicable on the principal amount as per sub-clause (a) thereof.

In token of acceptance of the same, the duly authorised official of the State Government may sign the duplicate copy of this letter and return the same to us.

ii) your furnishing of a certificate under Article 293(1) of the Constitution of India to the effect that the borrowings do not exceed the borrowing power, if any, stipulated by the State Legislature and consent of Government of India under article 293(3) of the Constitution of India as per Form-I (enclosed).

iii (a) the Mobilisation Advance will be available to the State Government on acceptance of terms and conditions of sanction accorded by NABARD. However, if implementation of the project is not initiated by issuing necessary work order, etc., **within one year from the date of sanction**

letter, the Mobilisation Advance shall be recalled and/or adjusted towards release of loans in other projects.

iii (b) **If the State Government fails to initiate the implementation of the projects by issue of necessary work order, etc., within a period of 18 months (1 year 6 months) from the date of the sanction letter, the sanction of the project for RIDF assistance shall lapse.**

iii(c) The regular RIDF loan under this sanction will be available on the basis of the consent received in the beginning of the financial year from Plan Finance I Division, Department of Expenditure, Ministry of Finance, Government of India under article 293(3) of the Constitution of India. The State Government shall ensure that the total amount of loans drawn from NABARD (such as loans from RIDF, loans from NRC (LTO) Fund for contribution to the share capital of Co-operative Credit Institutions and loans out of Watershed Development Fund, etc.) during a financial year do not exceed the amount for which consent has been granted by GoI for that year. The State Government shall furnish necessary papers in evidence of the same as and when required by NABARD.

iv) the Letter of Authority (Mandate Form - II) and the additional letter of authority (Form-IIA) already executed and registered with RBI for recovery of instalment/interest on loans granted by NABARD to State Government under any of the earlier tranches of RIDF would also cover loan sanctioned under RIDF XXIV and no separate mandate would be necessary.

3. The Finance Department of the State Government shall be designated by the Government of Assam as the Nodal Department and shall notify to NABARD the name, designation and specimen signature of the officer of the Finance Department, who is duly authorised by it to apply for drawal of the loan amount and issue necessary acknowledgments for the amounts disbursed and also to receive communication, notices and other correspondence from NABARD in respect of the loans sanctioned under RIDF, for completion of formalities, drawal of loan installments and repayments thereof together with interest. The Department shall also intimate NABARD subsequent change in the designated officer, if any, and forward the particulars and specimen signature of the new incumbent.

4. The drawal application alongwith a duly executed Time Promissory Note (TPN) in the prescribed format together with the expenditure statement shall be submitted to us on a quarterly / monthly basis. The drawals (except the last one) shall be in multiples of lakh and the minimum amount shall not be less than Rupees ten lakh per drawal.

4(a) The Time Promissory Note (TPN) in the prescribed format shall be furnished to us after indicating the exact amount of loans and advances admissible for release/ disbursement on the drawal application made by the State Government. The date of TPN would be date on which the admissible amount of loans and advances is released / disbursed to the State Government.

5. Drawal application shall be submitted separately for each tranche.

6. The State Government shall submit Project Completion Report in respect of each of the sanctioned project within one month of the completion.

7. A Display Board indicating NABARD's assistance as also physical and financial details of the project, as per the specimen (copy enclosed in Schedule I) of the board is required to be fixed within 15 days of commencement/completion of the tendering process/formalities for the projects preferably in local language and /or Hindi/English at suitable places of the project.

8. **Special Terms and Conditions :**

i) Under normal circumstances, cost escalation, if any, shall be borne by the State Government out of its own resources.

ii) Administrative approval for the projects should be obtained within 01 month of sanction.

iii) Technical sanction for the projects should be obtained within 03 months of sanction.

9. Kindly acknowledge receipt.

Yours faithfully

Sd/-

(S. K. Mishra)
General Manager (OIC)

Encl : Annexure-I, Schedule – I & Form- I

Accepted in the name and on behalf
of the Governor of State of Assam

Signature of
Authorised official

Name :

Designation :

Seal :

Place :

Date :

Ref.No.NB.Assam.SPD/ 2765 /RIDF XXVI (PWD 85 RR)/191st PSC/2020-21

Copy, together with Annexures & Schedule is forwarded for information and necessary action to:

A. State Government

i. The Addl. Chief Secretary, Planning & Development Deptt., Government of Assam, Block-F, 4th Floor, Assam Secretariat, G.S. Road, Dispur, Guwahati – 781 006.

ii. The Commissioner and Special Secretary, Public Works Roads Department, Govt. of Assam, Block-B, Ground Floor, Assam Secretariat, G.S. Road, Dispur, Guwahati 781006.

iii. The Chief Engineer, Public Works Department, Government of Assam, Chandmari, Guwahati-781003

B. NABARD

i. The Chief General Manager, SPD, NABARD, HO, Mumbai

ii. DDMs / DDRs, NABARD, Assam RO

(S. Das)
Asst. General Manager

Encl : Annexure-I, Schedule – I & Form- I

St - 2159
20/2/21