

K-16015/42/2016-AMRUT-II/AMRUT-IB  
Government of India  
Ministry of Housing & Urban Affairs  
AMRUT-I Division

Nirman Bhawan, New Delhi,  
the 31<sup>st</sup> December, 2018.

To,

The Pay & Accounts Officer (Sectt.),  
Ministry of Housing & Urban Affairs,  
Nirman Bhawan, New Delhi.

**Sub: Release of part payment of second instalment of Central Assistance (CA) (40% of the eligible Central Assistance) of Rs. 104,78,00,000/- to the Govt. of Gujarat against SAAPs - I, II & III under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) - Reg.**

Sir,

I am directed to convey the sanction of the competent authority for the release of an amount of Rs. 104,78,00,000/- (Rupees One Hundred Four Crore and Seventy-Eight Lakh only) to the Govt. of Gujarat. This amount is being released towards the part payment of 2<sup>nd</sup> instalment of the Central Assistance (CA), which is 40% of the eligible Central Assistance under SAAP-I, SAAP-II and SAAP-III, for the entire Mission period under Atal Mission for Rejuvenation and Urban Transformation (AMRUT) as project funds for implementation of projects.

2. The approved SAAP size of Gujarat is Rs. 4,884.42 crore and the maximum commitment of Government of India to Gujarat is Rs. 2,069.96 crore for the entire Mission period, i.e., 2015-2020 for all three SAAPs. The 1<sup>st</sup> instalment of 20% of committed CA against all the three SAAPs totalling Rs. 414.00 crore was released on the basis of estimated project cost.

3. As per Para 9.4 of the Mission guidelines, any excess or shortfall in the 1<sup>st</sup> instalment of 20% CA released on the basis of estimated cost shall be adjusted while releasing the 2<sup>nd</sup> instalment of CA which will be based on approved cost. The approved cost is the appraised cost or tendered cost of the project (whichever is less) and has to be taken into account by the State High Power Steering Committee (SHPSC).

4. As per the details of cost of projects provided by the State Government vide letter No. GUDM/AMRUT/UCs/2468 dated 19.11.2018 (copy enclosed), the "approved cost" of projects under AMRUT for which tenders have been awarded by the Govt. of Gujarat is as given below:

(All amount in Rs. crore)

SAAP	Estimated cost of projects as per approved SAAPs for the entire Mission period	Committed CA as per approved SAAPs for the entire Mission period	1 <sup>st</sup> instalment (20%) of CA already released to State Govt. against (a)	Approved cost of contracted projects - as per Mission guidelines and submission of State Govt.	Revised eligible CA against (c) as per approved cost of contract awarded projects* (d)	Eligible 2 <sup>nd</sup> instalment (40%) of CA calculated against (d) for contract awarded projects only
		(a)	(b)	(c)		
SAAP I	1204.42	564.30	112.86	930.87	431.85	172.74
SAAP II	1401.00	599.18	119.84	881.79	359.44	143.78
SAAP III	2279.00	906.48	181.30	767.98	284.32	113.73
<b>Total</b>	<b>4884.42</b>	<b>2069.96</b>	<b>414.00</b>	<b>2580.64</b>	<b>1075.61</b>	<b>430.25</b>



5. Therefore, based on the revised eligible Central Assistance as described in Para 4 above, the eligible 2<sup>nd</sup> instalment (40%) for contract awarded projects for SAAPs-I, II & III amounts to Rs. 430.25 crore. The amount of Rs. 104.78 crore being released currently as part payment against 2<sup>nd</sup> instalment of CA may therefore be read as under:

(All amounts in Rs. in crore)

2nd instalment of CA as per approved cost of projects of SAAPs I, II & III as per para 4 above	Penal amount to be deducted due to delay in transfer of CA funds	Interest earned/ accrued up to 30.09.2018 on CA released, deducted	75% of the eligible CA due to non-submission of IRMA reports/ATR/ Compliance report	Amount to be deducted on account of excess release of 1 <sup>st</sup> instalment of CA in SAAPs I, II & III only	Eligible 2 <sup>nd</sup> instalment of CA against contract awarded projects
(a)	(b)	(c)	(d) = 75%*(a-b-c)	(e)	f = (d-e)
430,25,00,000	1,89,27,329	23,44,00,000	303,68,00,000	198,90,00,000	104,78,00,000

6. The remaining amount of the eligibility of Rs.430.25 crore (refer para 5 above) will be released to the State Government after award of contracts to all the projects and on receipt of the report of Independent Review and Monitoring Agency (IRMA) which has been appointed for Gujarat and compliance of the observations of IRMA by the State Government.

7. Further, at present, funds are being released only against such projects of SAAPs I, II & III for which contracts have been awarded by the State Government (refer para 4 & 5 above). For projects against which contracts are yet to be awarded by the State Government, the second instalment of eligible CA will be released as given below:

- i. All such projects in SAAPs I, II & III for which contracts are yet to be awarded by the State Government will be grouped together. Second instalment of CA against these projects will be released **only when contracts for all these projects** have been awarded. The excess funds released to the State, if any, against part second instalment already released (by then), will be adjusted while releasing that part of the second instalment of CA against the projects of this group (as calculation of **approved cost** for the entire Mission period as per Mission guidelines will be feasible then).
- ii. **CA will not be released project-by-project in any case** for this group of projects, but in a single consolidated assemblage and State shall submit their claim against such projects (of this group) in a consolidated manner only. No project-by-project claims will be entertained by the Ministry.
- iii. The third instalment of CA will be released **only on the basis of approved cost** and for the projects for which contracts have already been awarded by the State by then.

8. Diversion of Central Grants for purposes other than the Mission projects is not allowed and shall entail levy of penal interest on the amount and any other action by the Apex Committee and may include adverse effect on release of grants.

9. As per the provision of the Mission's Guidelines, State Government is required to release the Central Assistance funds along with State share to the nodal account of the State Mission Director within one month of release of Central share by the Ministry otherwise interest at the rate specified by the Ministry of Finance shall be levied on the State for delay and appropriate deductions made from future instalments.

10. This release will be governed in terms of provisions of GFR. The amount of Central Assistance should be kept in separate account and be open to inspection/Audit as per provisions.