

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

MA&UD (CRDA) Department – Government Guarantee for Rs.3000 Cr for developing the initial first phase prioritized Infrastructure works i.e., Trunk Infrastructure & LPS works in Amaravati, subject to the certain conditions - Approved – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (CRDA) DEPARTMENT

G.O.MS.No. 23

Dated: 24-03-2021

Read:-

From the MC, AMRDA, File no.MAU61-US10TT(TPPW)/1/2021-TTP,
Dated:22.01.2021

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ORDER:-

In the reference read above, the Metropolitan Commissioner, Amaravati Metropolitan Region Development Authority(AMRDA) has stated that the AMRDA (erstwhile APCRDA) has taken up required planning and implementation activities including design and development of Trunk, Blue-Green, Land Pooling Scheme (LPS) infrastructure and Housing & Building (H&B) works duly obtaining the required permissions and approval from the Authority and Government. AMRDA has utilized the grants received from the Government to a tune of Rs.1500 Cr and loans from Consortium of (3) banks (Rs.2060 Cr), HUDCO (Rs.1250 Cr) and from own resources and the works were halted at different stages as per the instructions of Secretary to Government, MA&UD, vide Memo No.900634, dt.31.05.2019 to be prudent on the instructions issued by the State vide UO Note No.FIN 01-FMUOASD (WR1)/80/2019 Dt:29.05.2019 on continuation of works already sanctioned and clearing of bills and furnish report to the Government in the mater. Accordingly, several review meetings were conducted by the Hon'ble Chief Minister on infrastructure works initiated by the then APCRDA and instructed to take up the infrastructure works as per the prioritization and phasing.

2. The MC, AMRDA has further informed that during the review meeting conducted on 13.08.2020, the Hon'ble C.M., among other things, has accorded permission to execute the following de-scoped works with the existing contractors duly tying up finances.

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|-------------------------|---|--------------------------------|
| i. Trunk Infrastructure | - | Rs.4377.35 Cr (incl. of taxes) |
| ii. LPS Infrastructure | - | Rs.6715.18 Cr (incl. of taxes) |

3. Further, he has informed that during review meeting held under the Chairmanship of Hon'ble Finance Minister at Chief Minister's Camp Office on 17.12.2020, it was appraised that the Trunk and LPS Infrastructure estimation was prioritized from Rs.29,281.98 Cr (Incl. of taxes) to Rs.11,092.88 Cr (Incl. of taxes) and it was also appraised that, the consortium of banks came forward for lending loan of Rs.10,000 Cr in 3 installments (Rs.3000 Cr + Rs.3000 Cr + Rs. 4000 Cr) and he has requested the Finance department to provide Government

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Guarantee for initial loan of Rs.3000 Cr to start with prioritized LPS and Trunk Infrastructure works. And the Finance Department appreciated the proposal of prioritization and phasing of LPS & Trunk Infrastructure works and has agreed for availing of Rs.3000 Cr loan on initial basis.

4. Further, the MC, AMRDA has informed that during the review meeting of the Hon'ble C.M. held on 08.01.2021 it was discussed on execution of trunk and LPS infrastructure works. After due discussion, Hon'ble CM has instructed the Finance Dept., to extend Government Guarantee for Rs.3000 Cr to raise infrastructure finance from consortium of Banks by AMRDA. Accordingly, the AMRDA conducted series of meetings with Consortium of (3) banks i.e., Bank of Baroda, Union Bank, Indian Bank. On 12.01.2021, the Bankers expressed in principle approval to sanction Rs.1000 Cr each (total Rs.3000 crores) against State Government Guarantee.

5. The MC, AMRDA has further stated that the following ongoing works were identified under Phase-I proposals:

Trunk:- The prioritised infrastructure works such as roads, storm water, water supply and sewerage, are proposed for Rs.1206.39 Cr to ensure the regional connectivity with the existing institutions, LPS, various land allocations for sites such as Pedallandarki Illu, etc. Along with the prioritised works and NH 16 bypass the city area will get connectivity to every corner. The power will be provided by APSPDCL based on the development.

LPS:- The prioritised infrastructure works such as roads, storm water, water supply and sewerage to the returnable plots in 6 LPS zones out of 13 LPS zones of which the works were initiated and were in advance stage have been taken up at a cost of Rs.1879 Cr to ensure the connectivity and achieve the appreciation for monetizable plots.

6. The MC, AMRDA has therefore requested the Government to facilitate the raising of funds and to provide the required Government Guarantee for both principal & interest and accord permission to AMRDA for executing loan of Rs.3000 Cr for developing the Phase-I prioritized Infrastructure works with the existing contractors.

7. In view of the above, after careful examination of the proposal, Govt., hereby agreed for providing Government Guarantee for Rs.3000 Cr for developing the initial first phase prioritized Infrastructure works i.e., Trunk Infrastructure & LPS works in Amaravati, subject to the following conditions:-

- (a) The exact quantum of funds to be raised & works to be completed/taken up shall be decided in consultation with the Finance Department.
- (b) The funds shall be raised at the most competitive rates & terms & conditions.

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- (c) The AMRDA shall meet the repayment of the interest & principal
 - (d) The Government Guarantee is to be utilized/drawn within a period of one year from the date of issue of orders.
 - (e) The Guarantee will be valid for the entire tenure of the loan period.
 - (f) The Guarantee is extended only for the Principal part.
 - (g) Payment of 2% Guarantee Commission on the guaranteed amount.
 - (h) Submission of repayment schedule of Principal and Interest along with the details such as interest rate, tenure, moratorium period etc., and the Guarantee Commission Challan at the time of Guarantee Deed Signing by the Finance Department.
8. The Metropolitan Commissioner, AMRDA shall take further necessary action accordingly.
9. This order issues with the concurrence of Finance Department vide their U.O.Note.FIN01-BUGT0BL/2/2021-CDM(Comp.No.1336892), Dated:08.02.2021.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**Y.SRILAKSHMI
SPECIAL CHIEF SECRETARY TO GOVERNMENT**

To

The Metropolitan Commissioner,
Amaravati Metropolitan Region Development Authority,
Vijayawada.

Copy to:-

PS to Hon'ble C.M.
PS to Chief Secretary to Govt.
OSD to Hon'ble Min (MA)
PS to Hon'ble Min (finance)
GA (Cabinet) Department

SF/SC

// FORWARDED :: BY ORDER //

SECTION OFFICER