
LOAN NUMBER 4421-IND

PROGRAM AGREEMENT
(Industrial Corridor Development Program – Subprogram 2)

between

ASIAN DEVELOPMENT BANK

and

MINISTRY OF COMMERCE AND INDUSTRIES

DATED 15 DECEMBER 2023

IND 54465

PROGRAM AGREEMENT

PROGRAM AGREEMENT dated 15 December 2023 between ASIAN DEVELOPMENT BANK (“ADB”) and the MINISTRY OF COMMERCE AND INDUSTRIES acting by the President of India (“MOCI”).

WHEREAS

(A) by a Loan Agreement of even date herewith between India (“Borrower”) and ADB, ADB has agreed to make to the Borrower a loan of two hundred fifty million Dollars (\$250,000,000) on the terms and conditions set forth in the Loan Agreement, but only on the condition that the proceeds of the loan be made available by the Borrower to MOCI and that MOCI agrees to undertake certain obligations towards ADB set forth herein; and

(B) MOCI, in consideration of ADB entering into the Loan Agreement with the Borrower, has agreed to undertake the obligations set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Wherever used in this Program Agreement, unless the context otherwise requires, the several terms defined in the Loan Agreement and in the Loan Regulations (as so defined) have the respective meanings therein set forth.

ARTICLE II

Particular Covenants

Section 2.01. (a) MOCI shall carry out the Program with due diligence and efficiency, and in conformity with sound public management, administrative, technical, financial, business, and development practices.

(b) In the carrying out of the Program, MOCI shall perform all obligations set forth in the Loan Agreement to the extent that they are applicable to MOCI.

Section 2.02. MOCI shall make available, promptly as needed, and on terms and conditions mutually acceptable to ADB and the Borrower, the funds, facilities, services, and other resources as required, in addition to the proceeds of the Loan, for the carrying out of the Program.

Section 2.03. MOCI shall carry out the Program in accordance with plans and programs formulated in accordance with sound public management practices. MOCI shall furnish, or cause to be furnished, to ADB, promptly after their preparation, such plans, programs, techniques or methods, and any material modifications subsequently made therein, in such detail as ADB shall reasonably request.

Section 2.04. MOCI shall maintain, or cause to be maintained, records and documents adequate to record the progress of the Program.

Section 2.05. (a) ADB and MOCI shall cooperate fully to ensure that the purposes of the Loan will be accomplished.

(b) MOCI shall promptly inform ADB through the Borrower of any condition which interferes with, or threatens to interfere with, the progress of the Program, the performance of its obligations under this Program Agreement or the Financing Arrangements, or the accomplishment of the purposes of the Loan.

(c) ADB and MOCI shall from time to time, at the request of either party, exchange views through their representatives with regard to any matters relating to the Program, MOCI and the Loan.

Section 2.06. (a) In so far as it relates to the Program, MOCI shall furnish to ADB all such reports and information as ADB shall reasonably request concerning (i) the Loan and the expenditure of the proceeds thereof; (ii) the items of expenditure financed out of such proceeds; (iii) the Program; (iv) the administration, operations, and financial status of MOCI; and (v) any other matters relating to the purposes of the Loan.

(b) Without limiting the generality of the foregoing, MOCI shall furnish to ADB periodic reports on the execution of the Program. Such reports shall be submitted in such form and in such detail and within such a period as ADB shall reasonably request, and shall indicate, among other things, progress made and problems encountered during the period under review, steps taken or proposed to be taken to remedy these problems, and proposed program of activities and expected progress during the following period.

(c) Promptly after completion of the Program, but in any event not later than 3 months thereafter or such later date as ADB may agree for this purpose, MOCI shall prepare and furnish to ADB a report, in such form and in such detail as ADB shall reasonably request, on the execution of the Program, including its cost, the performance by MOCI of its obligations under this Program Agreement and the accomplishment of the purposes of the Loan, including a comprehensive description of the impact of the reforms under the Program.

Section 2.07. MOCI shall enable ADB's representatives to inspect the Program and any relevant records and documents.

Section 2.08. (a) MOCI shall, promptly as required, take all action within its powers to maintain its constitutional existence, to carry on its operations, and to acquire, maintain and renew all rights, properties, powers, privileges and franchises which are necessary in the carrying out of the Program.

(b) In relation to the Program, MOCI shall at all times conduct its operations in accordance with sound public management, financial, technical, development and operational practices, and under the supervision of competent and experienced management and personnel.

Section 2.09. Except as ADB may otherwise agree, in relation to the Program, MOCI shall apply the proceeds of the Loan to the financing of expenditures on the Program in accordance with the provisions of the Loan Agreement and this Program Agreement.

Section 2.10. Except as ADB may otherwise agree, MOCI shall duly perform all its obligations under the Financing Arrangements, and shall not take, or concur in, any action which would have the effect of assigning, amending, abrogating or waiving any rights or obligations of the parties under the Financing Arrangements.

Section 2.11. MOCI shall promptly notify ADB of any proposal to amend, suspend or repeal any provision of its constitutional documents, which, if implemented, could adversely affect the carrying out of the Program. MOCI shall afford ADB an adequate opportunity to comment on such proposal in taking any action thereon.

ARTICLE III

Effective Date; Termination

Section 3.01. This Program Agreement shall come into force and effect on the date on which the Loan Agreement comes into force and effect. ADB shall promptly notify MOCI of such date.

Section 3.02. This Program Agreement and all obligations of the parties hereunder shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms.

Section 3.03. All the provisions of this Program Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the Loan Agreement.

ARTICLE IV

Miscellaneous

Section 4.01. Any notice or request required or permitted to be given or made under this Program Agreement and any agreement between the parties contemplated by this Program Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or facsimile to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Number:

(632) 8636-2444

For MOCI

Secretary, DPIIT
Ministry of Commerce and Industries
Government of India
Udyog Bhawan
New Delhi - 110001

Facsimile Number:

0091-11 - 23061598.

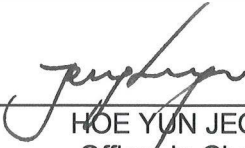
Section 4.02. (a) Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Program Agreement by or on behalf of MOCI may be taken or executed by its Secretary, DPIIT or by such other person or persons as he or she shall so designate in writing notified to ADB.

(b) MOCI shall furnish to ADB sufficient evidence of the authority of each person who will act under subsection (a) hereinabove, together with the authenticated specimen signature of each such person.

Section 4.03. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Program Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default; nor shall the action of such party in respect of any default, or any acquiescence in any default, affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Program Agreement to be signed in their respective names as of the day and year first above written, and to be delivered at the principal office of ADB.

ASIAN DEVELOPMENT BANK

By  _____
HOE YUN JEONG
Officer-in-Charge
India Resident Mission

MINISTRY OF COMMERCE AND INDUSTRIES

By  _____
DR. KAJAL
Director