



# Tranche-at-a-Glance Report

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Project Number: 48226-004  
MFF Number: 0104  
August 2018

## India: Second Rural Connectivity Investment Program (Tranche 2)

This document is being disclosed to the public in accordance with ADB's Public Communication Policy 2011.

**Asian Development Bank**

## TRANCHE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number:</b> 48226-004	
<b>Project Name</b>	Second Rural Connectivity Investment Program - Tranche 2	<b>Department/Division</b>	SARD/SATC
<b>Country</b>	India	<b>Executing Agency</b>	Government of Madhya Pradesh, Ministry of Rural Development
<b>Borrower</b>	India		
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
✓ Transport	Road transport (non-urban)		110.00
		<b>Total</b>	<b>110.00</b>
<b>3. Strategic Agenda</b>	<b>Subcomponents</b>	<b>Climate Change Information</b>	
Inclusive economic growth (IEG)	Pillar 2: Access to economic opportunities, including jobs, made more inclusive	Climate Change impact on the Project	Medium
Environmentally sustainable growth (ESG)	Global and regional transboundary environmental concerns	<b>ADB Financing</b>	
		Adaptation (\$ million)	6.16
<b>4. Drivers of Change</b>	<b>Components</b>	<b>Gender Equity and Mainstreaming</b>	
Governance and capacity development (GCD)	Organizational development	Effective gender mainstreaming (EGM)	✓
Private sector development (PSD)	Conducive policy and institutional environment		
<b>5. Poverty and SDG Targeting</b>		<b>Location Impact</b>	
Geographic Targeting	No	Rural	High
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG9		
<b>6. Risk Categorization:</b>	Low		
<b>7. Safeguard Categorization</b>	Environment: B Involuntary Resettlement: C Indigenous Peoples: C		
<b>8. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>110.00</b>	
Sovereign MFF-Tranche (Regular Loan): Ordinary capital resources		110.00	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>193.00</b>	
Government		193.00	
<b>Total</b>		<b>303.00</b>	

## TRANCHE AT A GLANCE

Date of Receipt by ADB of PFR: 5 July 2018

Tranche Number: 2

### 9. Country Operations Business Plan

**CPS**

<https://www.adb.org/sites/default/files/institutional-document/363331/cps-ind-2018-2022.pdf>

**COBP**

<https://www.adb.org/sites/default/files/institutional-document/363336/cobp-ind-2018-2020.pdf>

### 10. Tranche Summary

The Second Rural Connectivity Investment Program will improve about 12,000 kilometers (km) of rural roads in the states of Assam, Chhattisgarh, Madhya Pradesh, Odisha, and West Bengal. To meet the development priorities of the state of Madhya Pradesh, the Madhya Pradesh Rural Road Development Authority (MPRRDA) carried out advanced project preparation for tranche 2 of the MFF and obtained the Ministry of Rural Development approval for ADB financing on 30 January 2018. The government proposed that tranche 2 cover only Madhya Pradesh and finance the upgrading of at least 2,800 km rural roads in the state of Madhya Pradesh. In addition, it will support the training of 500 Pradhan Mantri Gram Sadak Yojana (PMGSY) engineers and will support road safety audits on the project roads.

**Impact:** Mobility and accessibility in India improved.

**Outcome:** Rural connectivity in Madhya Pradesh improved.

**Outputs:** (i) Rural roads in Madhya Pradesh improved, (ii) Institutional capacity of PMGSY implementing agencies strengthened, and (iii) Safety of PMGSY roads sustained

**Implementation Arrangements:** Government of Madhya Pradesh and Ministry of Rural Development will be the executing agencies.

**Project Readiness:** Project readiness for project 2 is high. Under advance contracting, ADB approved the financial bid evaluation report of the sample package submitted by the MPRRDA on 8 May 2018. As of 25 June 2018, 114 of 168 civil works packages (68%) had been awarded, amounting to \$59.4 million (54% of the proposed loan amount). Consulting services for construction supervision, project implementation and monitoring, and road safety audits are in place. All environmental clearances have been obtained, no land acquisitions are required.

### 11. Significant Developments in the MFF and Previous Tranches

Tranche 1 (Loan 3611) for \$250 million was approved on 4 December 2017 and became effective on 20 March 2018. It covers (i) upgrading of about 6,200 km of rural roads in the investment program states to all-weather standards, (ii) training of about 2,000 PMGSY engineers, and (iii) technical support for conducting road safety audits and road maintenance. Tranche 1 is on track. As of 30 July 2018, cumulative contract awards and disbursement are around 54% and 2%, respectively. Of the 72 loan covenants, 70 are being complied with and 2 are not yet due.

### 12. Milestones

**Estimated Approval**

21 September 2018

**Estimated Completion<sup>a</sup>**

30 June 2023

### 13. Linked Documents

	Required Document	Disclosure Date
MFF	Report and Recommendation of the President	
Weblink:	<a href="https://www.adb.org/projects/documents/ind-48226-002-rrp">https://www.adb.org/projects/documents/ind-48226-002-rrp</a>	01-DEC-2017
Tranche	Draft Periodic Financing Request Report	
Weblink:	<a href="http://www.adb.org/Documents/LinkedDocs/?id=48226-004-DraftPFRR">http://www.adb.org/Documents/LinkedDocs/?id=48226-004-DraftPFRR</a>	The Final PFR Report is disclosed upon approval
(i) Environment	IEE - Initial Environment Examination	
Weblink:	<a href="https://www.adb.org/projects/documents/ind-48226-004-iee">https://www.adb.org/projects/documents/ind-48226-004-iee</a>	03-JUL-2018

<sup>a</sup> For Tranches, this refers to the financial closing date.