



CR 5573-IN

The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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January 27, 2016

Mr. S. G. Dastidar
Controller of Aid Accounts and Audit
Department of Economic Affairs, Ministry of Finance
5th Floor, 'B' Wing
Janpath Bhawan, Janpath
New Delhi, India 110 001

Dear Sir,

**Re: IDA Financing 5573-IN
(Telangana Rural Inclusive Growth Project)
Additional Instructions: Disbursement**

I refer to the Financing Agreement between India (the "Recipient") and the International Development Association (the "Association") for the above-referenced project, dated JANUARY 27, 2016. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing 5573-IN ("Financing"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

The attached *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006, ("Disbursement Guidelines") (Attachment 1), are an integral part of the Disbursement Letter. The manner in which the provisions in the Disbursement Guidelines apply to the Financing is specified below. Sections and subsections in parentheses below refer to the relevant sections and subsections in the Disbursement Guidelines and, unless otherwise defined in this letter, the capitalized terms used have the meanings ascribed to them in the Disbursement Guidelines.

I. Disbursement Arrangements

(i) Disbursement Methods (section 2). The following Disbursement Methods may be used under the Financing:

- Reimbursement

(ii) Disbursement Deadline Date (subsection 3.7). The Disbursement Deadline Date is 4 months after the Closing Date specified in the Financing Agreement. Any changes to this date will be notified by the Association.

II. Withdrawal of Financing Proceeds

(i) Authorized Signatures (subsection 3.1). An authorized signatory letter in the Form attached (Attachment 2) should be furnished to the Association at the address indicated below providing the name(s) and specimen signature(s) of the official(s) authorized to sign Applications:

The World Bank
P.O. Box 416
New Delhi 110 001, India

Attention: Mr. Onno Ruhl, Country Director, India

(ii) Applications (subsections 3.2 - 3.3). Please provide completed and signed applications for withdrawal, together with supporting documents to the address indicated below:

The World Bank
No. 11, Taramani Main Road
Taramani, Chennai – 600 113
India
Attention: Ms. Samvita R. Aritkatla, Finance Officer

(iii) Electronic Delivery (subsection 3.4) The Association may permit the Recipient to electronically deliver to the Association Applications (with supporting documents) through the Association's Client Connection, web-based portal. The option to deliver Applications to the Association by electronic means may be effected if: (a) the Recipient has designated in writing, pursuant to the terms of subparagraph (i) of this Section, its officials who are authorized to sign and deliver Applications and to receive secure identification credentials ("SIDC") from the Association for the purpose of delivering such Applications by electronic means; and (b) all such officials designated by the Recipient have registered as users of Client Connection. If the Association agrees, the Association will provide the Recipient with SIDC for the designated officials. Following which, the designated officials may deliver Applications electronically by completing Form 2380, which is accessible through Client Connection (<https://clientconnection.worldbank.org>). The Recipient may continue to exercise the option of preparing and delivering Applications in paper form. The Association reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Recipient.

(iv) Terms and Conditions of Use of SIDC to Process Applications. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Recipient confirms through the authorized signatory letter its agreement to: (a) abide by the *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of Secure Identification Credentials") provided in Attachment 3; and (b) to cause such official to abide by those terms and conditions.

(v) Advances (sections 5 and 6). Not Applicable

III. Reporting on Use of Financing Proceeds

(i) Supporting Documentation (section 4). Supporting documentation should be provided with each application for withdrawal as set out below:

- **For Reimbursement:**

- Interim Financial Report in the form attached (Attachment 4)

(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3):
Not applicable

IV. Other Important Information

For additional information on disbursement arrangements, please refer to the Disbursement Handbook available on the Association's public website at <https://www.worldbank.org> and its secure website "Client Connection" at <https://clientconnection.worldbank.org>. Print copies are available upon request.

If you have not already done so, the Association recommends that you register as a user of the Client Connection website (<https://clientconnection.worldbank.org>). From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Financing, and retrieve related policy, financial, and procurement information. All Recipient officials authorized to sign and deliver Applications by electronic means are required to register with Client Connection before electronic delivery can be effected. For more information about the website and registration arrangements, please contact the Association by email at <clientconnection@worldbank.org>.

If you have any queries in relation to the above, please contact Mr. Junxue Chu, Senior Finance Officer, at service account email address CTRLN-Chennai@worldbank.org using the above reference.

Yours sincerely,



Onno Ruhl
Country Director
India

Attachments

1. *World Bank Disbursement Guidelines for Projects*, dated May 1, 2006
2. Form for Authorized Signatures
3. *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of Secure Identification Credentials"), dated March 1, 2013
4. Form of "Interim Unaudited Financial Report"

Form of Authorized Signatory Letter
Controller of Aid Accounts and Audit
Department of Economic Affairs, Ministry of Finance
New Delhi, India 110 001

[DATE]

The World Bank
P.O. Box 416
New Delhi 110 001, India

Attention: Mr. Onno Ruhl, Country Director, India

Re: Financing No. 5573-IN (Telangana Rural Inclusive Growth Project)

I refer to the Financing Agreement (" Agreement") between the International Development Association (the " Association") and India (the " Recipient"), dated _____, providing the above Financing. For the purposes of Section 2.03 of the General Conditions as defined in the Agreement, any ¹[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Recipient to sign applications for withdrawal [and applications for a special commitment] under this Financing.

For the purpose of delivering Applications to the Association, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Recipient, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Association.

⁵[This confirms that the Recipient is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Association by electronic means. In full recognition that the Association shall rely upon such representations and warranties, including without limitation, the representations and

¹ Instruction to the Recipient: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. *Please delete this footnote in final letter that is sent to the Association.*

² Instruction to the Recipient: Stipulate if more than one person needs to *jointly* sign Applications, if so, please indicate the actual number. *Please delete this footnote in final letter that is sent to the Association.*

³ Instruction to the Recipient: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Association.*

⁴ Instruction to the Recipient: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Association.*

⁵ Instruction to the Recipient: Add this paragraph if the Recipient wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. *Please delete this footnote in final letter that is sent to the Association.*

warranties contained in the *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* ("Terms and Conditions of Use of SIDC"), the Recipient represents and warrants to the Association that it will cause such persons to abide by those terms and conditions.]

This Authorization replaces and supersedes any Authorization currently in the Association records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

**Terms and Conditions of Use of Secure Identification Credentials
in connection with Use of Electronic Means
to Process Applications
and Supporting Documentation**

March 1, 2013

The World Bank (Bank)¹ will provide secure identification credentials (SIDC) to permit the Borrower² to deliver applications for withdrawal and applications for special commitments under the Agreement(s) and supporting documentation (such applications and supporting documentation together referred to in these Terms and Conditions of Use as Applications) to the Bank electronically, on the terms and conditions of use specified herein.

SIDC can be either: (a) hardware-based (Physical Token), or (b) software-based (Soft Token). The Bank reserves the right to determine which type of SIDC is most appropriate.

A. Identification of Users.

1. The Borrower will be required to identify in a completed Authorized Signatory Letter (ASL) duly delivered to and received by the Bank each person who will be authorized to deliver Applications. The Bank will provide SIDC to each person identified in the ASL (Signatory), as provided below. The Borrower shall also immediately notify the Bank if a Signatory is no longer authorized by the Borrower to act as a Signatory.
2. Each Signatory must register as a user on the Bank's Client Connection (CC) website (<https://clientconnection.worldbank.org>) prior to receipt of his/her SIDC. Registration on CC will require that the Signatory establish a CC password (CC Password). The Signatory shall not reveal his/her CC Password to anyone or store or record the CC Password in written or other form. Upon registration as a CC user, the Signatory will be assigned a unique identifying account name.

B. Initialization of SIDC.

1. Prior to initialization of SIDC by a Signatory, the Signatory will acknowledge having read, understood and agreed to be bound by these Terms and Conditions of Use.

¹ "Bank" includes IBRD and IDA.

² "Borrower" includes the borrower of an IBRD loan, IDA credit, or Project Preparation Facility advance and the recipient of a grant.

2. Where a Physical Token is to be used, promptly upon receipt of the Physical Token, the Signatory will access CC using his/her account name and CC Password and register his/her Physical Token and set a personal identification number (PIN) to be used in connection with the use of his/her Physical Token, after which the Physical Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Where a Soft Token is to be used, the Signatory will access CC using his/her account name and CC Password and set a personal identification number (PIN) to be used in connection with the use of his/her Soft Token, after which the Soft Token will be initialized for use by the Signatory exclusively for purposes of delivering Applications. Upon initialization of the SIDC, the Signatory will be a "SIDC User". The Bank will maintain in its database a user account (Account) for each SIDC User for purposes of managing the SIDC of the SIDC User. Neither the Borrower nor the SIDC User will have any access to the Account.
3. Prior to first use of the SIDC by the SIDC User, the Borrower shall ensure that the SIDC User has received training materials provided by the Bank in use of the SIDC.

C. Use of SIDC.

1. Use of the SIDC is strictly limited to use in the delivery of Applications by the SIDC User in the manner prescribed by the Bank in the Agreement(s) and these Terms and Conditions. Any other use of the SIDC is prohibited.
2. The Bank assumes no responsibility or liability whatsoever for any misuse of the SIDC by the SIDC User, other representatives of the Borrower, or third parties.
3. The Borrower undertakes to ensure, and represents and warrants to the Bank (such representation and warranty being expressly relied upon by the Bank in granting SIDC) that each SIDC User understands and will abide by, these Terms and Conditions of Use, including without limitation the following:
4. ***Security***
 - 4.1. The SIDC User shall not reveal his/her PIN to anyone or store or record the PIN in written or other form.
 - 4.2. The SIDC User shall not allow anyone else to utilize his/her SIDC to deliver an Application to the Bank.
 - 4.3. The SIDC User shall always logout from CC when not using the system. Failure to logout properly can create a route into the system that is unprotected.
 - 4.4. If the SIDC User believes a third party has learned his/her PIN or has lost his/her Physical Token he/she shall immediately notify clientconnection@worldbank.org.

4.5. The Borrower shall immediately notify the Bank at clientconnection@worldbank.org of any lost, stolen or compromised SIDC, and take other reasonable steps to ensure such SIDC are disabled immediately.

5. ***Reservation of Right to Disable SIDC***

5.1. The Borrower shall reserve the right to revoke the authorization of a SIDC User to use a SIDC for any reason.

5.2. The Bank reserves the right, in its sole discretion, to temporarily or permanently disable a SIDC, de-activate a SIDC User's Account or both.

6. ***Care of Physical Tokens***

6.1. Physical Tokens will remain the property of the Bank.

6.2. The Bank will physically deliver a Physical Token to each Signatory designated to receive one in a manner to be determined by and satisfactory to the Bank.

6.3. Physical Tokens contain delicate and sophisticated instrumentation and therefore should be handled with due care, and should not be immersed in liquids, exposed to extreme temperatures, crushed or bent. Also, Physical Tokens should be kept more than five (5) cm from devices that generate electromagnetic radiation (EMR), such as mobile phones, phone-enabled PDAs, smart phones and other similar devices. Physical Tokens should be carried and stored separate from any EMR device. At close range (less than 5 cm), these devices can output high levels of EMR that can interfere with the proper operation of electronic equipment, including the Physical Token.

6.4. Without derogating from these Terms and Conditions of Use, other technical instructions on the proper use and care of Physical Tokens are available at <http://www.rsa.com>.

7. ***Replacement***

7.1. Lost, damaged, compromised (in terms of 4.5, above) or destroyed Physical Tokens will be replaced at the expense of the Borrower.

7.2. The Bank reserves the right, in its sole discretion, not to replace any Physical Token in the case of misuse, or not to reactivate a SIDC User's Account.

**Form of Interim Financial Report
(Separately attached)**

TELANGANA RURAL INCLUSIVE GROWTH PROJECT
IFR1: Component/Sub Component wise Expenditure Breakup upto quarter ending _____
PROJECT NUMBER _____

IFR-1

(Rs In millions)

Description	Expenditure for the Quarter	Expenditure for the Year	Cumulative to Date Expenditure	Bank Financing %	Claimable Amount
1	2	3	4	5	6=2*5
Sources of Funds					
A	Opening Bank Balance				
B	Received from GoO (in Bank account)				
B.1	State Government Funds				
B.2	Government of India Funds/World Bank Funds				
C	Other receipts/Income				
	Total Sources of Funds (I= A+B+C)				
Uses of Funds					
1	Component 1:Value Chain Development				
1.1	Sub Component 1.1: Rural Value Chain				
1.2	Sub Component 1.2: Rural Retail Chain				
2	Component 2: Human Development				
2.1	Sub Component 2.1 :Strengthening Demand for Quality Nutrition,Health, Sanitation & Pre School Education Services				
2.2	Sub Component 2.2 :Strengthening the Supply of Key Nutrition, Health and Pre-School Education Services				
2.3	Sub Component 2.3. Linkages with value chains				
3	Component 3: Digital Local Government				
3.1	Sub Component 3.1 : Improved Delivery of Service and Entitlement at the Gram Panchayat Level				
3.2	Sub Component 3.2: Pilots on Improved Access to Specialized Services on Gender and Persons with Disabilities				
4	Component 4: ICT, Technical Assistance and Partnerships				
4.1	Sub Component 4.1 : Information and Communication Technologies				
4.2	Sub Component 4.2 :Partnerships				
4.3	Sub Component 4.3 : Technical Assistance to Line Departments				
4.4	Sub Component 4.4 :Center of Excellence and Knowledge Management				
5	Component 5 :Project Implementation Support				
	Total Uses of Funds (II= 1+2+3+4)				
	Closing Balance (III=I-II)				

The documents supporting the above are maintained at the SPMU/DPMU /TPMU/MS. The expenditures reported are in agreement with the books of account maintained by T-SERP

Dated:--/--/----

Signature
Project Director at T-SERP

Signature
Finance Manager at T-SERP

TELANGANA RURAL INCLUSIVE GROWTH PROJECT
IFR 2: Summary of Activities under sub component upto quarter ending _____
PROJECT NUMBER _____

(Rs In millions)

	QTR	YTD	CTD	Category
Sub Component 1.1: Rural Value Chain				
i) Technical Assistance to Producer Groups in form of salaries, TA, DA				1
ii) Technical Assistance to Producer Groups in form of Infrastructure & administrative expense at cluster				1
iii) Technical Agency Consultancy				1
iv) Capacity building, Training, Exposure Visit				1
v) Grants for Value addition & Small Productive Infrastructure				2
vi) Grants for financing Producer Group Business Plans/Community Fund				2
vii) Monitoring & Evaluation				1
Total of Sub component 1.1				
Sub Component 1.2: Rural Retail Chain				
i) Technical Assistance to Retailer Groups & Enterprises in form of salaries, TA, DA to experts				1
ii) Technical Assistance to Retailer Groups & Enterprises in form of Infrastructure & administrative expense at cluster				1
iii) Technical Agency Consultancy				1
iv) Capacity building, Training, Exposure Visit				1
v) Grants for Value addition & Small Productive Infrastructure				2
vi) Grants for financing Retailer Groups & Enterprises Business Plans/Community Fund				2
vii) Monitoring & Evaluation				1
Total of Sub component 1.1				
Sub Component 2.1 :Strengthening Demand for Quality Nutrition,Health,Sanitation & Pre School Education Services				
i) Development of Village HD (including WASH) plans				1
ii) Grants for financing Village HD (including WASH) plans				2
iii) Communication for Behavior and Social Change.				1
iv) Community monitoring for demand generation using tools such as community score cards and Badipanduga (ECCE day).				1
Total of Sub component 2.1				
Sub Component 2.2 :Strengthening the Supply of Key Nutrition, Health and Pre-School Education Services				
i) Strengthening the training architecture under the departments of WCD and HFW				1
ii) Community monitoring using the 'Maarpu' platform supported by an IT enabled system.				1
Total of Sub component 2.2				
Sub Component 2.3: Linkages with value chains				
i) Nutri-shops/Krushe Marts				1
ii) Farmer Field Schools				1
Total of Sub component 2.3				

TELANGANA RURAL INCLUSIVE GROWTH PROJECT
 IFR 2: Summary of Activities under sub component upto quarter ending _____
 PROJECT NUMBER _____

(Rs. In millions)

	QTR	YTD	CTD	Category
Sub Component 3.1: Improved Delivery of Service and Entitlement at the Gram Panchayat Level				
i Establishing One Stop Shop (OSS) service points at the panchayat level*				1
Establishing PRI offices as a technology-enabled nexus for convergence and system integration between various government departments				1
iii Setting up an entitlements cell at the state level for coordinating multiple stakeholders				1
iv Capacity building and training				1
Total of Sub component 3.1				
Sub Component 3.2: Pilots on Improved Access to Specialized Services on Gender and Persons with Disabilities				
Sub Component 4.1 : Information and Communication Technologies				
i ICT equipment for Components 1, 2 & 3*				1
ii Technical Support for Data Integration & New Software Development				1
iii Hardware and Software requirements				1
Total of Sub component 4.1				
Sub Component 4.2 :Partnerships				
i Solutions Marketplaces, Knowledge Events				1
ii Financing Public-Private-Community Partnerships				1
Total of Sub component 4.2				
Sub Component 4.3 : Technical Assistance to Line Departments				
i Staffing support				1
ii Training support				1
iii Consultancy for strengthening MIS & Data Analytics				1
iv Support for hiring agency for independent feedback from users				1
Total of Sub component 4.3				
Sub Component 4.4 :Center of Excellence and Knowledge Management				
i Workshops				1
ii Capacity building, Training, Exposure Visit				1
iii Implementation Support				1
Total of Sub component 4.4				
<p>Note: Total of each of Sub component in IFR 2 should match with the expenditure reported against sub component in IFR 1 *Refer PAD for details of expenditure to be captured under each line item</p> <p>Dated:--/~/---</p> <p>Signature Project Director at T-SERP</p> <p style="text-align: right;">Signature Finance Manager at T-SERP</p>				

TELANGANA RURAL INCLUSIVE GROWTH PROJECT
IFR 3: Cost Centerwise Expenditure Breakup
PROJECT NUMBER _____

(Rs. In millions)

	Cost Center	QTR	YTD	CTD
1	SERP SPMU			
2	SERP DPMU			
3	SERP TPMU			
4	ZS			
5	MS			
6	VO			
	Cost Center Total	0	0	0

Note: Cost Center Total in IUFR 3 should match with the expenditure reported in IUFR 1

Dated:--/--/----

Signature
Project Director at T-SERP

Signature
Finance Manager at T-SERP

TELANGANA RURAL INCLUSIVE GROWTH PROJECT
 IFR 6: Payments made under Prior Review Contracts
 PROJECT NUMBER _____

(In Rs. Million)

S.N.	Contractor/Supplier/Consultant	Contract No. & date	Description	Contract Amount (revised)	Stipulated/Actual Date of Completion	WBR No.	Date of No from Bank	Amount Paid			World Bank Share			
								During the quarter	YTD	CTD	Reim. %	During the quarter	CTD	
Component 1: Value Chain Development														
Component 2: Human Development														
Component 3: Digital Local Government														
Component 4: Technical Assistance, ICT and Partnerships														
Component 5: Project Implementation Support														
<p>Dated: --/------</p> <p>Signature Project Director at T-SERP</p> <p style="text-align: right;">Signature Finance Manager at T-SERP</p>														