

**THE WORLD BANK**

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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December 9, 2010

**CONFORMED COPY**

Mr. Venu Rajamony  
Joint Secretary (MI)  
Department of Economic Affairs  
Ministry of Finance  
Government of India  
Room no# 39B, North Block  
New Delhi

Dear Mr. Rajamony:

***India: Punjab Rural Water Supply and Sanitation Project (Cr. 4251-IN)  
Amendment to the Financing Agreement***

We refer to the Financing Agreement between India (the Recipient) and the International Development Association (the Association) dated February 26, 2007. We also refer to the letter dated July 15, 2010, from Department of Economic Affairs, Ministry of Finance, Government of India, requesting some amendments to some sections of the Financing Agreement.

We are pleased to inform you that the Association, after due consideration, has agreed to amend the Financing Agreement as follows:

1. The table in Schedule 2 –Section IV. A paragraph 2 to the Financing Agreement is amended as set forth in the attachment to this Amendment Letter.
2. Part C of the Project in Schedule 1 is amended to read as follows:
  - “1. Construction and upgradation of rural water supply schemes in about 3,000 habitations in Punjab which are not covered or are only partially covered by such schemes.
  2. Carrying out a program aimed at achieving sustained quality improvements in rural water supply services, consisting of the provision of goods and works to support the upgradation of existing single village and multi village rural water supply schemes, including the provision and installation of bulk water meters in multi-village water supply schemes.
  3. Provision of goods and equipment for implementation of comprehensive sanitation in 100 villages including construction of sewerage and sewage treatment, rehabilitation of ponds and sullage drainage system to maximize environmental sanitation benefits.”
3. The Closing Date in Schedule 2 - Section IV. B paragraph 2 is amended to read December 31, 2013.

Please confirm your agreement to the above amendment by signing the form of confirmation set forth below, returning to us one fully executed original of this amendment letter, and retaining one original for your records.

Except as specifically amended by this Amendment Letter, all provisions of the Financing Agreement will remain in full force and effect.

This amendment shall be effective as of date of this letter upon receipt by the Association of the countersigned copy of this letter.

With regards,

Yours sincerely,

/s/ Anna Wellenstein

Anna Wellenstein  
Acting Country Director, India

CONFIRMED

INDIA

By /s/ Venu Rajamony

Date \_\_\_\_\_

(वेणु राजमोनी)  
(VENU RAJAMONY)  
संयुक्त सचिव / Joint Secretary  
वित्त मंत्रालय / Ministry of Finance  
आर्थिक कार्य विभाग / Dept. of Eco. Affairs  
भारत सरकार / Govt. of India  
नई दिल्ली / New Delhi

## Attachment

## SCHEDULE 1

## Withdrawal of the Proceeds of the Financing

Category	Amount of the Credit Allocated (Expressed in SDR)	Percentage of Expenditures to be Financed
(1) Goods, services and operating costs for Eligible Project Activities under Parts A and B of the Project	24,200,000.00	100% of Eligible Project Expenditures
(2) Goods and works for Eligible Project Activities under Parts C.1 and C.2 of the Project	50,400,000.00	85% of Eligible Project Expenditures
(2)(i) Goods and works for Eligible Project Activities under Parts C.1 and C.2 of the Project	12,000,000.00	66% of Eligible Project Expenditures
(3) Goods and works for Eligible Project Activities under Part C.3 of the Project	16,904,518.43	85% of Eligible Project Expenditures
(3)(i) Goods and works for Eligible Project Activities for first five Pilot Schemes under C2(b) and C.3 of the Project	595,481.57	66% of Eligible Project Expenditures
TOTAL AMOUNT	104,100,000.00	

Note: Category 2(i) and 3(i) will be dysfunctional once the reallocation amendment is completed. All future disbursement for Parts C.1 and C.2 will be directly charged to Category 2, and that of Part C.3 will be directly charged to Category 3.

Mr. Venu Rajamony

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December 9, 2010

cc: Mr. Nilaya Mitash, Director, Department of Economic Affairs, MoF, North Block, New Delhi  
Mr. Soumya Chattopadhyay, Under Secretary, Department of Economic Affairs, MoF, North Block, New Delhi  
Mr. Arun Kumar Misra, Secretary, Department of Drinking Water Supply, MoRD, New Delhi  
Mr. Vijay Bhaskar, Joint Secretary, & Mission Director, Rajiv Gandhi National Drinking Water Mission, New Delhi  
Mr. S. C. Agrawal, Chief Secretary, Govt. of Punjab, Chandigarh  
Mr. Karan Bir Singh Sidhu, Principal Secretary, Finance Department, Govt. of Punjab, Chandigarh  
Mr. P.S. Aujla, Secretary, Department of Water Supply and Sanitation, Govt. of Punjab, Chandigarh  
Mr. S. R. Aggarwal, Program Director, State Program Management Cell, Mohali, Punjab