CREDIT NUMBER 2876 IN (Amendment)

Agreement Amending Development Credit Agreement

(Second District Primary Education Project)

between

INDIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated May 12, 2003

AGREEMENT AMENDING DEVELOPMENT CREDIT AGREEMENT

AGREEMENT dated May 12, 2003, between INDIA, acting by its President (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association);

WHEREAS (A) by the Development Credit Agreement dated July 15, 1996, between the Borrower and the Association, as amended to date (the Development Credit Agreement), the Association agreed to make available to the Borrower an amount in various currencies equivalent to two hundred ninety one million seven hundred thousand Special Drawing Rights (SDR 291,700,000) (the Credit) to assist in financing the Project described in Schedule 2 to the Development Credit Agreement;

- (B) by the Project Agreement dated July 15, 1996 between the Association and the States of Assam, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu and Uttar Pradesh, as amended to date (the Project Agreement), the Project States agreed to undertake certain obligations with respect to the carrying out of the Project;
- (C) the Borrower has advised the Association through Gazette Notice No. 36 dated August 25, 2000 of the enactment of the Madhya Pradesh Reorganization Act, 2000 creating the new State of Chhattisgarh (Chhattisgarh), formerly a part of the State of Madhya Pradesh;
- (D) the Borrower has requested the Association to amend the Development Credit Agreement to take into account the creation of the State of Chhattisgarh and the obligation of the State of Chhattisgarh to carry out part of the Project.

NOW THEREFORE the parties hereto hereby agree to amend the Development Credit Agreement as follows:

A. Preamble

Recital C is amended to read as follows:

"C. the Project will be carried out by the Borrower and the States of Assam, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and Chhattisgarh (hereinafter referred to as the "Project States") with the assistance respectively of the Assam Prathamik Shiksha Achani Parishad; Gujarat Council of Primary Education; Haryana Prathamik Shiksha Pariyojana Parishad; Himachal Primary Education Society; Karnataka Prathamik Shiksha Vikas Yojana; Primary Education Development Society of Kerala; Rajiv Gandhi Prathamik Shiksha Nission of Madhya Pradesh; Maharashtra Prathamik Shiksha Parishad; Orissa Primary Education Program Authority; Tamil Nadu State Mission of Education for All; Uttar Pradesh Sabhee Ke Liye Shiksha Pariyojana; Chhattisgarh Rajiv Gandhi Shiksha Mission, (hereinafter referred to collectively as State Implementation Societies), with the assistance of the Borrower, and as part of such assistance, the Borrower will make available to the Project States and the State Implementation Societies the proceeds of the Credit as provided in this Agreement; and"

B. General Conditions; Definitions

- 1. The following paragraphs of Section 1.02 are amended to read as follows:
- (ee) "Project States" means Assam, Gujarat, Haryana, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and Chhattisgarh, and "Project State" means each such State;
- (II) "State Implementation Society" means each of the following: the Assam Society, the Gujarat Society, the Haryana Society, the Himachal Pradesh Society, the Karnataka Society, the Kerala Society, the Madhya Pradesh Society, the Maharashtra Society, the Orissa Society, the Tamil Nadu Society, the Uttar Pradesh Society and the Chhattisgarh Society, and "State Implementation Societies" means all of them collectively;
- 2. The word "and" is deleted at the end of definition (rr), and the period at the end of definition (ss) is deleted and replaced by a semi-colon.
- 3. The following definitions are added at the end of Section 1.02:
 - (tt) "Chhattisgarh" means the Borrower's State of Chhattisgarh, or any successor thereto;

- (uu) "Chhattisgarh Society" means Chhattisgarh Rajiv Gandhi Shiksha Mission;
- (ww) "Agreement Amending the Development Credit Agreement" means the Agreement Amending the Development Credit Agreement dated May 12, 2003 between the Borrower and the Association;
- (yy) "Agreement Amending the Project Agreement" means the Agreement Amending the Project Agreement of even date herewith between the Association and the Project States;

C. Effective Date; Termination

The following new provision is added after Section 6.03 in Article VI:

"Section 6.04. The Agreement Amending the Development Credit Agreement shall not become effective until a legal opinion satisfactory to the Association, showing that the Agreement Amending the Project Agreement has been duly authorized or ratified by, and executed and delivered on behalf of Chhattisgarh, and is legally binding upon Chhattisgarh in accordance with its terms, is received by the Association."

D. Description of the Project

Paragraph 3 of Part D of Schedule 2 is amended to read as follows:

"3. Program Evaluation and Research

Improving educational research and evaluation capacity of research organizations at the national level and in Gujarat, Madhya Pradesh, Orissa, Uttar Pradesh and Chhattisgarh, through: (i) the provision of staff resources and support staff; (ii) organizing international conferences within the Borrower's territory; (iii) provision of training pertaining to primary education research and evaluation; and (iv) conducting or commissioning research studies and evaluations in primary education, including with respect to the relative strengths of supply and demand type interventions, and the dissemination of the results of such studies."

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement Amending the Development Credit Agreement to be signed in their respective names in New Delhi, India, as of the day and year first above written.

By

/s/ Adarsh Kishore
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Carter

/s/ Michael F.

Country Director, India