

OFFICIAL
DOCUMENT

CR 5298-1A

The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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December 23, 2015

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 5298 - IN
(Uttar Pradesh Water Sector Restructuring Phase II Project)
Additional Instructions: Disbursement
First Restatement to the Disbursement Letter**

I refer to the Financing Agreement between India (the "Recipient") and the International Development Association (the "Association") for the above-referenced project, dated October 24, 2013. The Agreement provides that the Association may issue additional instructions regarding the withdrawal of the proceeds of financing 5298 - IN ("Financing"). This letter ("Disbursement Letter"), as revised from time to time, constitutes the additional instructions.

This Disbursement Letter is first restatement of the Disbursement Letter dated October 24, 2013 for the above referenced project. Special Commitment is now included as a Disbursement Method in Section I (i) through this restatement.

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
- Advance
- Special Commitment

(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 (a) applications for withdrawal, together with supporting documents and (b) applications for special commitments, together with a copy of the commercial bank letter of credit, to the address indicated below:

The World Bank
No. 11, Taramani Main Road
Taramani, Chennai – 600 113
India

Attention: Mr. Sundararaman S. Puducode, Senior 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) Advance (sections 5 and 6).

- **Type of Designated Account (subsection 5.3):** Segregated.
- **Currency of Designated Account (subsection 5.4):** USD
- **Financial Institution at which the Designated Account Will Be Opened (subsection 5.5):** Reserve Bank of India, Mumbai
- **Ceiling (subsection 6.1):** US\$ 35 million. The GOUP may request for advance up to the ceiling during project implementation, based on the project's needs.

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 and for reporting eligible expenditures paid from the Designated Account:**
 - Interim Financial Report in the form attached (Attachment 4 of the Disbursement Letter dated October 24, 2013)

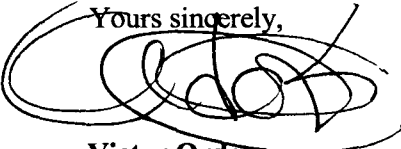
(ii) Frequency of Reporting Eligible Expenditures Paid from the Designated Account (subsection 6.3): Quarterly

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. Victor Ordonez, Senior Finance Officer at service account email address WFALN_Chennai@worldbank.org using the above reference.

Yours sincerely,

Victor Ordonez
Senior Finance Officer
India

Attachments – As per the Original Disbursement Letter dated October 24, 2013.

Cleared with and cc: Martin Serrano (LEGES)
Jun Matsumoto (TTL)

Cc with copies: Chief Secretary
Government of Uttar Pradesh
Secretariat Annex
Lucknow – 226001
Uttar Pradesh, India