

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5693-IN

Financing Agreement

(National Cyclone Risk Mitigation Project-II)

between

INDIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *August 11*, 2015

FINANCING AGREEMENT

AGREEMENT dated August 11, 2015, entered into between INDIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in the amount of three hundred eight million four hundred thousand United States Dollars (USD 308,400,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be at a rate equal to the Reference Rate for the Credit Currency plus the Fixed Spread; provided, however, that the Interest Charge payable shall in no event be less than zero percent (0%) per annum.
- 2.05. The Payment Dates are May 15 and November 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall:
- (a) carry out its Respective Parts of the Project under the overall coordination, monitoring and reporting responsibility of the MHA acting through NDMA, and with the assistance of NIDM, as required, in accordance with the provisions of Article IV of the General Conditions; and
 - (b) cause the Project Implementing Entities to carry out their Respective Parts of the Project, in accordance with the provisions of Article IV of the General Conditions and the Respective Project Agreements.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely, that the NDMA's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of NDMA to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is the Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary or Under Secretary of the Department of Economic Affairs in the Recipient's Ministry of Finance.

6.02. The Recipient's Address is:

Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 110001, India

6.03. The Association's Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

AGREED at New Delhi, India, as of the day and year first above written.

INDIA

By Amun 11/08/15
Authorized Representative

Name: Raj Kumar

Title: Joint Secretary (M)

INTERNATIONAL DEVELOPMENT
ASSOCIATION

By John Blomquist
Authorized Representative

Name: John Blomquist

Title: Acting Country Director

SCHEDULE 1

Project Description

The objective of the Project is to reduce vulnerability to cyclone and other hydro-meteorological hazards of coastal communities in Project States, and increase the capacity of the State entities to effectively plan for and respond to disasters.

The Project consists of the following parts:

Component A: Early Warning Dissemination Systems

1. Installing and operating early warning dissemination systems in coastal areas of the Project States, and strengthening the operational capabilities of emergency operation centers at state, district and sub-district level in the Project States.
2. Strengthening the capacity of officials and coastal communities in Project States to operate and maintain the early warning dissemination systems, and to prepare for, and carry out, emergency mobilization.

Component B: Cyclone Risk Mitigation Infrastructure

Constructing, rehabilitating, and/or improving disaster risk management infrastructure in the Project States, including: multi-purpose cyclone shelters; evacuation routes and bridges; embankments and bunds; and the conversion of overhead power lines into underground cables.

Component C: Technical Assistance for Multi-Hazard Risk Management

1. Assisting coastal states and union territories of the Recipient to understand and manage natural disaster risks, including: (a) improving probabilistic risk modeling of multi-hazard risks and cascading impacts of disasters; and (b) developing a manual on building classification and carrying out micro-level assessments of habitations, public buildings and critical infrastructure in highly exposed areas.
2. Implementing training modules to strengthen the institutional capacity of national, state and district level agencies responsible for disaster risk management and damage assessment to understand and manage natural disaster risks and emergency responses.
3. Strengthening the institutional capacity of non-coastal states and union territories of the Recipient to: (a) carry out systemic assessments of natural disasters and climate change risks particularly in urban areas and non-coastal areas; (b) train engineers on the assessment of physical vulnerability of public buildings and critical infrastructure to hazard events, including the development of a

methodology for the identification of such assets, a comprehensive multi-hazard risk check-list and assessment guidelines; and (c) strengthening the capacity of emergency responders in selected urban areas vulnerable to hazard events, including providing/upgrading search and rescue equipment.

4. Preparing hydro-meteorological resilience action plans for extreme weather events, including disaster risk financing instruments, resilience solutions and recommendations for sectors impacted by natural disasters (e.g. agriculture, livelihoods, energy, infrastructure; etc.).
5. Developing a national seismic risk mitigation program, through strengthening of risk assessment capabilities of MHA and NDMA, carrying out public awareness campaigns, updating building codes and land-use regulations, retrofitting critical infrastructure, and developing risk financing frameworks.

Component D: Project Management and Implementation Support

Strengthening the institutional capacity of the Recipient and the Project Implementing Entities for carrying out the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the responsibility for the overall coordination of Project activities in MHA acting through the NDMA.
2. Notwithstanding paragraph 1 above, in order to carry out the activities under its Respective Parts of the Project, the Recipient shall maintain throughout the period of Project implementation:
 - (a) a Project Steering Committee, with membership, powers, functions and competencies agreed with the Association and detailed in the Operations Manual, as shall be required for it to provide policy guidance for, and exercise general oversight of, the implementation of activities under the Project by NDMA and the Project Implementing Entities; and
 - (b) the Project Management Unit within NDMA: (i) headed by a project director assisted by competent staff, all with experience and qualification, in numbers and under terms of reference agreed with the Association; and (ii) provided with such powers, financial resources, functions and competences, agreed with the Association and detailed in the Operations Manual, as shall be required for, inter alia: (A) carrying out day-to-day implementation of activities under the Recipient's Respective Parts of the Project, including financial management, procurement, social and environmental, safeguards, communication, monitoring, evaluation and reporting activities thereunder; (B) coordinating inter-state and inter-agency collaborations for Project implementation; and (C) acting as secretariat to the Project Steering Committee.

B. On-lending

1. To facilitate the Project Implementing Entities' carrying out their Respective Parts of the Project, the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entities in accordance with the Recipient's standard arrangements for development assistance to the States of India.
2. Notwithstanding paragraph 1 above, in the event that any provision of this Agreement, including the instructions that the Association shall have specified by notice to the Recipient pursuant to Section IV.A.1 of this Schedule, were to be

found inconsistent with the Recipient's standard arrangements for development assistance to the States of India, the provisions of this Agreement and related instructions shall prevail.

3. The Recipient shall at all times protect its own interests and the interests of the Association to accomplish the purposes of the Financing.

C. Anti-Corruption

The Recipient shall implement its Respective Parts of the Project, and cause the Project Implementing Entities to implement their Respective Parts of the Project, in accordance with the provisions of the Anti-Corruption Guidelines.

D. Project Documents

1. The Recipient shall, and shall cause the Project Implementing Entities to:
 - (a) implement its/their Respective Parts of the Project in accordance with the Operations Manual, Safeguards Documents, FM Manual, Procurement Manual ("Project Documents"); and
 - (b) refrain from amending, suspending, waiving, abrogating, and/or voiding any provision of the Project Documents, in whole or in part, without the prior written mutual consent of the Recipient and the Association.
2. To the extent of any inconsistency between: (a) the provisions of the Project Documents; and (b) the provisions of this Agreement and/or the Respective Project Agreements, the provisions of this Agreement and/or the Respective Project Agreements (as the case may be) shall prevail.

E. Safeguards

Whenever an additional or revised EMP or RAP is required for any proposed activity under the Recipient's Respective Parts of the Project in accordance with the provisions of the ESMF, the Recipient shall:

- (a) prior to the commencement of such activity, proceed to have such EMP or RAP (as the case may be): (i) prepared in accordance with the provisions of the ESMF; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner agreed with the Association; and
- (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such EMP or RAP (as the case may be).

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators agreed with the Association. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain, and cause the Project Implementing Entities to maintain, a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance agreed with the Association.
3. The Recipient shall have its, and shall cause the Project Implementing Entities to have their, Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient or the Project Implementing Entity (as the case may be), commencing with the fiscal year in which the first withdrawal was made under the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than nine (9) months after the end of such period.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions set forth in the Procurement Plan; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found agreed with the Association; (e) Direct Contracting; and (f) Force Account.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association. For avoidance of doubts, the Association, shall be entitled to conduct, at any time, independent procurement reviews of all the contracts financed under the Financing.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006; as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Incremental Operating Costs and Training under Components A, C and D of the Project	72,300,000	100%
(2) Goods and works under Component B of the Project	236,100,000	75%
TOTAL AMOUNT	308,400,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed sixty one million United States Dollars (USD 61,000,000) may be made for payments made prior to this date but on or after July 1, 2014, for Eligible Expenditures.
2. The Closing Date is March 15, 2021.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each May 15 and November 15 Commencing on November 15, 2020 to and including May 15, 2040	2.5%

* The percentages represent the percentage of the principal amount of the Credit to be repaid.

APPENDIX

Section I. Definitions

1. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
2. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. "Credit Currency" means the currency in which the Credit is denominated.
4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).
5. "DGVCL" means a Dakshin Gujarat Vij Company Ltd., a Gujarat's fully owned power utility company, established and operating under the Recipient's Electricity Act of 2003 and the Companies Act, 1956.
6. "Displaced Persons" means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impact on the livelihoods of such persons.
7. "EMP(s)" means, collectively, the Recipient's and the Project Implementing Entities' environmental management plans (to be) prepared pursuant to, respectively, Section I.E of Schedule 2 of this Agreement and Section I.D of the Schedule to their Respective Project Agreements, in accordance with the provisions of the ESMF, in each case setting out mitigation, enhancement, monitoring and institutional measures, including capacity building through training, required to: (i) eliminate adverse environmental impacts of activities to be implemented under the Project; (ii) offset them, or reduce them to acceptable levels; (iii) enhance any positive impacts thereof; as such plans may be revised, updated or supplemented from time to time with the prior written mutual consent of the Association; and/or (iv) ensure compliance with the Recipient's statutory environmental requirement, as such plans may be revised, updated or supplemented, from time to time, with the prior written mutual consent of the Association; and "EMP" means any one of such EMPs, individually considered, as the context requires.

8. "ESMF" means the environmental and social management framework dated February 18, 2015, satisfactory to the Association, and included in the Operations Manual, which describes the environmental and social safeguards, policies, procedures and institutional framework applicable to the Project, including identification, assessment and mitigation of potential environmental and social impacts arising from the Project, measures to protect cultural property, carrying out consultations, processing and redressing grievances, monitoring related impacts, and, where applicable EMPs, resettlement and rehabilitation actions plans, and other development plans and entitlement frameworks for people adversely affected as a result of Project implementation, as such framework may be revised from time to time with the prior written mutual consent of the Recipient and the Association.
9. "Financial Center" means the principal financial center for the United States Dollar.
10. "Fixed Spread" means the Association's fixed spread for the Credit Currency in effect at 12:01 a.m. Washington, D.C. time, one calendar day prior to the date of this Agreement and expressed as a percentage per annum.
11. "FM Manual" means the financial management manual, satisfactory to the Association, which is part of the Operations Manual and sets out the overall Project financial management arrangements in respect of Project flow of funds, accounting policies and procedures, chart of accounts, financial and accounting procedures, books of accounts, financial reporting and internal controls, as the same may be revised from time to time with the prior written mutual consent of the Recipient and the Association.
12. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
13. "Goa" means the State of Goa of the Recipient, or any successor or successors thereto.
14. "GSDMA" means Gujarat State Disaster Management Authority established pursuant to the Gujarat State Disaster Management Act of 2003, or any successor or successors thereto.
15. "Gujarat" means the State of Gujarat of the Recipient, or any successor or successors thereto.
16. "Incremental Operating Costs" means the reasonable costs of incremental expenditures incurred by the Recipient and/or the Project Implementing Entities on account of implementation, management and monitoring of their Respective Parts of the Project, including, *inter alia*: (i) costs of incremental staff salaries

(other than consultants); (ii) dissemination of Project related information; (iii) office rental and leasing operation and maintenance of equipment; (iv) office supplies and utilities; (v) travel and boarding/lodging allowances; (vi) leasing, operation and maintenance of vehicles; (vii) advertising and communication expenses; and (viii) bank charges.

17. "Interest Period" means the initial period from and including the date of this Agreement to but excluding the first Payment Date occurring thereafter, and after the initial period, each period from and including a Payment Date to but excluding the next following Payment Date.
18. "Karnataka" means the State of Karnataka of the Recipient, or any successor or successors thereto.
19. "Kerala" means the State of Kerala of the Recipient, or any successor or successors thereto.
20. "LIBOR" means for any Interest Period, the London interbank offered rate for deposits in the relevant Credit Currency for six months, expressed as a percentage per annum, that appears on the Relevant Rate Page as of 11:00 a.m. London time on the Reference Rate Reset Date for the Interest Period.
21. "Maharashtra" means the State of Maharashtra of the Recipient, or any successor or successors thereto.
22. "MDRR" means Maharashtra's Department of Relief and Rehabilitation, or any successor or successors thereto.
23. "MHA" means the Ministry of Home Affairs of the Recipient, or any successor or successors thereto.
24. "MSEDCL" means the Maharashtra State Electricity Distribution Company Ltd., Maharashtra's fully owned power utility company, established and operating under the Recipient's Electricity Act of 2003.
25. "NDMA" means the National Disaster Management Authority of the Recipient, established and operating pursuant to the NDMA's Legislation, or any successor or successors thereto.
26. "NDMA's Legislation" means the Recipient's Disaster Management Act of 2005, as amended to the date of this Agreement.
27. "NIDM" means the Recipient's National Institute of Disaster Management established within MHA under the National Disaster Management Act of 2005, or any successor or successors thereto.

28. "Operations Manual" means the Recipient's operations manual for the Project dated April 6, 2015, satisfactory to the Association, which sets out the terms, conditions and procedures for Project implementation, and which includes the ESMF and disclosure and grievance handling requirements, as such manual may be revised from time to time with the prior written mutual consent of the Recipient and the Association.
29. "PGVCL" means Pachim Gujarat Vij Company Limited, a Gujarat's fully owned power utility company, established and operating under the Recipient's Electricity Act of 2003 and the Companies Act, 1956.
30. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).
31. "Procurement Manual" means the manual satisfactory to the Association, which is part of the Operations Manual and sets out procurement policies and procedures with respect to the Project, and contains the Procurement Plan, as such manual may be revised from time to time with the prior written mutual consent of the Recipient and the Association.
32. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 29, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
33. "Project Documents" means: (i) the Operations Manual including the ESMF; (ii) the FM Manual; (iii) the Procurement Manual; (iv) the EMP(s) prepared by the Recipient pursuant to Section I.E of Schedule 2 to this Agreement; and (v) for each Project Implementing Entity, the Safeguards Documents prepared by such Project Implementing Entity pursuant to Section I.D of the Schedule to its Respective Project Agreement.
34. "Project Implementing Entity" means any of Goa, Gujarat, Karnataka, Kerala, Maharashtra, or West Bengal, individually considered, which has signed its Respective Project Agreement; and the term "Project Implementing Entities" and the acronym "PIEs" means all of them jointly considered.
35. "Project Management Unit" means the Project implementation unit established by NDMA for the implementation of the National Cyclone Risk Mitigation Project, financed by the Association pursuant to Credit No. 4772.
36. "Project State" means any of Goa, Gujarat, Karnataka, Kerala, Maharashtra, or West Bengal individually considered; and "Project States" means all of them collectively considered.

37. "Project Steering Committee" means the steering committee established by NDMA on September 7, 2009, as amended on August 31, 2012, for the implementation of the National Cyclone Risk Mitigation Project.
38. "R&DMD" means Department of Revenue and Disaster Management, Government of Kerala, or any successor or successors thereto.
39. "R&R Policy Framework" means the resettlement and rehabilitation policy framework included in the ESMF and the Operations Manual, satisfactory to the Association, which sets out the policies and procedures for addressing adverse temporary or permanent social impacts resulting, or likely to result, from the carrying out of the Project, as the same may be revised from time to time with the prior written mutual consent of the Recipient and the Association.
40. "RAP(s)" means, collectively, the Recipient's and the Project Implementing Entities' resettlement action plans (to be) prepared pursuant to, respectively, Section I.E of Schedule 2 of this Agreement and Section I.D of the Schedule to their Respective Project Agreements, in accordance with the R&R Policy Framework and included in the ESMF and referred to in the Operations Manual, in each case identifying Displaced Persons on account of implementation of Project activities, and setting forth the terms and conditions for providing them with resettlement assistance and/or compensation, as well as the procedures to be applied in the identification, assessment and mitigation of potential Project related social impacts, including the protocols for consultation, the processing of complaints and grievance redress, monitoring and reporting requirements, and the Displaced Persons' entitlement schedules, as such plans may be revised, updated or supplemented from time to time, with the prior mutual written consent of the Recipient and the Association; and "RAP" means any one of such RAPs, individually considered, as the context requires.
41. "RD(MD)" means Karnataka's Revenue Department (Disaster Management), or any successor or successors thereto.
42. "Reference Rate" means, for any Interest Period:
 - (a) LIBOR. If such rate does not appear on the Relevant Rate Page, the Association shall request the principal London office of each of four major banks to provide a quotation of the rate at which it offers six-month deposits in Dollar to leading banks in the London interbank market at approximately 11:00 a.m. London time on the Reference Rate Reset Date for the Interest Period. If at least two such quotations are provided, the rate for the Interest Period shall be the arithmetic mean (as determined by the Association) of the quotations. If less than two quotations are provided as requested, the rate for the Interest Period shall be the arithmetic mean (as determined by the Association) of the rates quoted by four major banks selected by the Association in the relevant

Financial Center, at approximately 11:00 a.m. in the Financial Center, on the Reference Rate Reset Date for the Interest Period for loans in Dollar to leading banks for six months. If less than two of the banks so selected are quoting such rates, the Reference Rate for Dollar for the Interest Period shall be equal to the Reference Rate in effect for the Interest Period immediately preceding it; and

- (b) if the Association determines that LIBOR has permanently ceased to be quoted for Dollar, such other comparable reference rate for the relevant currency as the Association shall reasonably determine.
43. "Reference Rate Reset Date" means the day two London Banking Days prior to the first day of the relevant Interest Period (or in the case of the initial Interest Period, the day two London Banking Days prior to the first or fifteenth day of the month in which this Agreement is signed, whichever day immediately precedes the date of this Agreement; provided that if the date of this Agreement falls on the first or fifteenth day of such month, the Reference Rate Reset Date shall be the day two London Banking Days prior to the date of this Agreement).
44. "Relevant Rate Page" means the display page designated by an established financial market data provider selected by the Association as the page for the purpose of displaying the Reference Rate for deposits in the Credit Currency.
45. "Respective Parts of the Project" means, in respect of:
- (a) the Recipient: all activities carried out under Component C of the Project as well as any ancillary management, monitoring and evaluation activities carried out in respect thereof under Component D of the Project; and
 - (b) each Project Implementing Entity: all activities under Components A and B of the Project carried out in the territory of such Project Implementing Entity, as well as any ancillary management, monitoring and evaluation activities carried out in respect thereof under Component D of the Project.
46. "Respective Project Agreements" means, collectively, the agreements of the same date of this Agreement, entered into between the Association and each of the Project Implementing Entities for the purposes of coordinating, regulating and facilitating the Project Implementing Entities' carrying out of their Respective Parts of the Project; and "Respective Project Agreement" means each such agreement with a Project Implementing Entity, individually considered.
47. "Safeguards Documents" means collectively: (i) the ESMF; and (ii) the EMP(s) and RAP(s) (to be) prepared by the Recipient and the Project Implementing Entities on account of the implementation of their Respective Parts of the Project,

and pursuant to, respectively, Section I.E of Schedule 2 to this Agreement and Section I.D of the Schedule to their Respective Project Agreements.

48. "State" means any of the states or union territories of the Recipient.
49. "State Project Implementation Unit" and the acronym "SPIU" means a Project implementation unit established, or to be established, by each Project Implementing Entity pursuant to Section I.A.1(b) of the Schedule to their Respective Project Agreement, for the purpose of carrying out its Respective Parts of the Project; and the term "SPIUs" means all such units for all Project States collectively considered.
50. "State Project Steering Committee" and the acronym "SPSC" mean the committee established, or to be established, by each Project Implementing Entity pursuant to Section I.A.1(a) of the Schedule to their Respective Project Agreements.
51. "Training" means the reasonable costs of training and workshops incurred by the Recipient and/or the Project Implementing Entities on account of implementation of their Respective Parts of the Project, including inter alia, the study tours, courses, conferences and workshops conducted and/or attended by staff of the Recipient and/or the Project Implementing Entities and/or stakeholders, in the territory of the Recipient, or, subject to the prior no-objection of the Association, overseas, including: (i) the purchase and publication of materials; (ii) the rental of facilities; (iii) payment for course fees; and (iv) lodging, travel expenses and per diems for trainers and/or trainees.
52. "WBDDM" means West Bengal's Department of Disaster Management, or any successor or successors thereto.
53. "WBSEDCL" means West Bengal State Electricity Distribution Company Ltd., West Bengal's fully owned power utility company, established and operating under the Recipient's Electricity Act of 2003 and the Companies Act, 1956.
54. "West Bengal" means the State of West Bengal of the Recipient, or any successor or successors thereto.
55. "WRD" means Goa's Water Resources Department, or any successor, or successors thereto.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. The last sentence of Section 3.01(b) is modified to read as follows:

“The Commitment Charge shall be computed using a day-count convention reasonably determined by the Association”.

2. Section 3.02 is modified to read as follows:

“Section 3.02. *Interest Charge*

The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest Charges shall be computed using a day-count convention reasonably determined by the Association.”

3. In Section 3.03, paragraph (b) is deleted in its entirety and the resulting paragraph (a) is modified to read as follows:

“Section 3.03. *Repayment of the Credit*

The Recipient shall repay the Withdrawn Credit Balance to the Association in installments as provided in the Financing Agreement.”

4. Section 3.04 is modified to read as follows:

“Section 3.04. *Prepayment*

- (a) After giving not less than forty-five days' notice to the Association, the Recipient may repay the Association in advance of maturity, as of a date acceptable to the Association, all or any part of the principal amount of one or more maturities of the Credit specified by the Recipient, provided the Recipient has made payments due on the Credit as at such date, including any prepayment premium calculated pursuant to paragraph (b) of this Section.
- (b) The prepayment premium payable under paragraph (a) of this Section shall be an amount reasonably determined by the Association to represent any gains or losses to the Association arising from the termination of any interest rate risk management transactions undertaken by the Association with respect to the Credit.”

5. A new Section 3.11 is added to read as follows:

“Section 3.11. *Cancellation Premia on Payment Failure, Cancellation, Suspension, Acceleration or Refund of the Credit*

The Recipient shall pay to, or be entitled to receive from, the Association a cancellation premium that the Association shall reasonably determine represents any losses or gains to the Association arising from the termination of any interest rate risk management transactions undertaken by the Association with respect to the Credit as a result of: (i) the Recipient's failure to make payment (notwithstanding the fact that such payment may have been made by a third party) of principal, interest, service charges or any other amount due to the Association under this Agreement; (ii) any cancellation, suspension or acceleration of the Credit under Article VI of these General Conditions; or (iii) any refund of the Credit. The Recipient shall pay any cancellation premium due to the Association not later than sixty days after notice shall have been given by the Association."

6. Paragraph 28 of the Appendix ("Financing Payment") is modified by substituting the words "the Service Charge" with the words "the Interest Charge".
7. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the subsequent paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02."
8. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by substituting the words "Service Charges" with the words "Interest Charges".
9. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is deleted in its entirety.