Dear Mr. Bajaj:

INDIA: Andhra Pradesh and Telangana State
Community-Based Tank Management Project
Amendments to Loan Agreement (Loan No. 4857) and
Financing Agreement (Credit No. 4291)

We refer to: (i) the Loan Agreement dated June 8, 2007 between India (the Borrower) and the International Bank for Reconstruction and Development (the Bank); (ii) the Financing Agreement also dated June 8, 2007 between India (the Recipient) and the International Development Association (the Association); and (iii) the Project Agreement of the same date among the Bank, the Association and the State of Andhra Pradesh (Andhra Pradesh) (the AP Project Agreement) for the above referenced project (the Project).

The Borrower has advised the Bank of the enactment of the Andhra Pradesh Reorganization Act No.6 dated March 1, 2014 creating the new Telangana State (Telangana), formerly part of Andhra Pradesh.

We also refer to the Borrower’s letter dated June 12, 2014 and to the discussions among the Borrower, Andhra Pradesh, Telangana and the Bank, relating to amendments to take into account the creation of Telangana, and to reflect Telangana’s endorsement and commitment to carry out certain parts of the Project and as reflected in the aide-memoire transmitted to the Borrower, Andhra Pradesh and Telangana through the Bank’s letter dated September 10, 2014.

We are pleased to inform you that the Bank concurs with the request, and proposes to enter into a Project Agreement with Telangana State for this Project (Telangana Project Agreement). The Loan Agreement and the Financing Agreement are amended as set forth below subsequent to the request and the above-mentioned discussions:
1. The name of the Project is amended to read as follows: “Andhra Pradesh and Telangana State Community-Based Tank Management Project”.

2. The table in Section IV.A.2 of Schedule 2 of the Financing Agreement is revised to read as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Amount of the Loan Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, and services, training and workshops, Operating Costs and Grants for Andhra Pradesh</td>
<td>25,730,405</td>
<td>38,394,915</td>
<td>90%</td>
</tr>
<tr>
<td>(2) Goods, works, and services, training and workshops, Operating Costs and Grants for Telangana</td>
<td>32,414,440</td>
<td>48,368,835</td>
<td>90%</td>
</tr>
<tr>
<td>(3) Front-end Fee</td>
<td>0</td>
<td>236,250</td>
<td></td>
</tr>
<tr>
<td>Cancellation as of February 27, 2014</td>
<td>4,855,155</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Cancellation as of March 18, 2014</td>
<td>0</td>
<td>7,500,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>63,000,000</td>
<td>94,500,000</td>
<td></td>
</tr>
</tbody>
</table>

3. The following definition in Section I of the Financing Agreement is amended to read as follows:

22. “Project Implementing Entity” means the State of Andhra Pradesh and the Telangana State.

All other provisions of the Loan Agreement and of the Financing Agreement, except as specifically amended by this letter of amendment, remain in full force and effect.

Please confirm your agreement to the foregoing by signing the form of confirmation set forth below, and returning one fully executed original of this amendment letter to us and retaining one original for your records. This amendment letter shall become effective as of the date of the last countersignature of the two amendment letters (including this one) and the Telangana Project Agreement, prepared further to the above-mentioned requests and discussions, upon receipt by the Bank of: (a) a duly countersigned original of this amendment letter; (b) a
duly countersigned original of the amendment letter to the AP Project Agreement; and (c) a duly countersigned original of the Telangana Project Agreement.

Yours sincerely,

Michael Haney
Acting Country Director, India

Confirmed and agreed:
INDIA

By: [Signature]

Name: TARUN BAJAJ

Title: JOINT SECRETARY

Date: 05/03/2015