Dear Mr. Singh:

INDIA: Capacity Building for Industrial Pollution Management Project
Loan No. 7924-IN, Credit No. 4755-IN
Amendment to the Telangana Project Agreement and Supplemental Letter (Indicators)

We refer to: (i) the Loan Agreement between India (“Borrower”) and the International Bank for Reconstruction and Development (“Bank”) dated July 22, 2010 as amended on May 24, 2016 (“Loan Agreement”); (ii) the Financing Agreement of even date as amended on May 24, 2016 (“Financing Agreement”) between the Borrower and the International Development Association (“Association”) (“Bank” and “Association” collectively referred to as “World Bank”) for the financing of the Capacity Building for Industrial Pollution Management Project (“Project”); (iii) the Project Agreement dated May 24, 2016 (“Telangana Project Agreement”) between the World Bank and the State of Telangana; and (iv) the supplemental letter of even date regarding performance monitoring indicators agreed further to the Telangana Project Agreement.

We are pleased to inform you that the World Bank concurs with the request and proposes to amend the Telangana Project Agreement as follows:

The attachment to the supplemental letter regarding performance indicators agreed further in Section II.A.1 of the Schedule to the Telangana Project Agreement is amended to read as set forth in the Attachment to this letter of amendment.

Unless the context otherwise requires and except where otherwise defined in this letter of amendment, all capitalized terms contained herein shall have the meanings assigned to them in the Loan Agreement, the Financing Agreement, the IBRD General Conditions or the IDA General Conditions.

All other provisions of the Telangana Project Agreement, except as amended herein, remain unchanged.

Please confirm your agreement with the foregoing amendment by countersigning and duly dating the confirmation form set forth herein below, and returning one fully signed original of this letter of amendment to us and retaining one original for your records. Upon receipt by the World Bank of the: (i) duly countersigned original of this letter; (ii) duly countersigned originals of the
amendment letter to the Loan Agreement and the Financing Agreement; and (iii) amendment letter(s) to the Andhra Pradesh and West Bengal Project agreements and the accompanying supplemental letter regarding performance monitoring indicators, this letter shall become effective.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Hisham Abdo
Acting Country Director, India

AGREED:
STATE OF TELANGANA

By

Swarajam Srinivas

Name: Swarajam Srinivas
Title: Environment & Technology Department
Date: 24-10-17
### Key Performance Indicators for Project Monitoring

<table>
<thead>
<tr>
<th>PDO Level Indicators*</th>
<th>Core</th>
<th>UoM</th>
<th>Baseline</th>
<th>Status June 2017</th>
<th>FY 2017-18</th>
<th>Frequency</th>
<th>Data sources and methodology</th>
<th>Responsibility for data collection</th>
<th>Description / comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDO Indicator: Framework for the establishment of NPRPS comprising inventory of polluted sites, remediation methodologies, and policy and Regulatory reviews developed</td>
<td>No</td>
<td>Yes/No</td>
<td>No</td>
<td>Technical Committee has recommended to MoEF &amp;CC</td>
<td>Yes</td>
<td>Annual</td>
<td>Review of technical studies and recommendations</td>
<td>MoEF&amp;CC</td>
<td>Three basic studies on inventory, Methodological and Policy &amp; Institutional studies are completed.</td>
</tr>
<tr>
<td>PDO Indicator: Contaminated Land Managed or dump sites closed under the project</td>
<td>☒</td>
<td>Ha</td>
<td>0</td>
<td>0</td>
<td>16.3</td>
<td>Semi Annual</td>
<td>Review of technical inspection report upon completion of works</td>
<td>MoEF&amp;CC</td>
<td>Pilot sub-projects in Andhra Pradesh (4.2 ha) and West Bengal (12.10 ha)</td>
</tr>
<tr>
<td>PDO Indicator: Capacity of technical staff of the participating agencies strengthened to prepare, implement and monitor remediation plans</td>
<td>No</td>
<td>Score</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>Annual</td>
<td>Assessment by independent experts</td>
<td>MoEF&amp;CC</td>
<td>Assessed based on three aspects of capacity: 1. Preparation 2. Implementation 3. Monitoring</td>
</tr>
<tr>
<td>PDO Indicator: Direct project beneficiaries (number) of which female (%)</td>
<td>☒</td>
<td>Number (%</td>
<td>0</td>
<td>0</td>
<td>183,362 (45%)</td>
<td>Annual</td>
<td>Independent Assessment</td>
<td>MoEF&amp;CC</td>
<td>Total project beneficiaries from pilot sub-projects (Kadapa - 25669, Dhapa - 131,693)</td>
</tr>
</tbody>
</table>

### Intermediate results

**Component 1: Strengthening of Environmental Institutions – Building Capacity for addressing pollution remediation**

<table>
<thead>
<tr>
<th>IR Indicator: Inventory of Polluted Sites in India developed</th>
<th>Yes/No</th>
<th>No</th>
<th>Yes</th>
<th>Yes</th>
<th>Annual</th>
<th>Review of technical studies and recommendations</th>
<th>MoEF&amp;CC</th>
<th>Inventory study has been approved by MoEF&amp;CC</th>
</tr>
</thead>
<tbody>
<tr>
<td>IR Indicator: Methodologies for remediation of polluted sites in India developed</td>
<td>Yes/No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Annual</td>
<td>Review of technical studies and recommendations</td>
<td>MoEF&amp;CC</td>
<td>Methodology study has been approved by MoEF&amp;CC</td>
</tr>
<tr>
<td>IR Indicator: National Guidelines for the remediation of polluted sites developed</td>
<td>Yes/No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Annual</td>
<td>Review of technical studies and recommendations</td>
<td>MoEF&amp;CC</td>
<td>Draft Guidelines as part of Methodology have</td>
</tr>
</tbody>
</table>

* PDO: Performance Indicator Objective
* IR: Intermediate Result
IR Indicator: Policy options for remediation of polluted sites developed based on a review of existing legislations and international experiences  
- Yes / No: No Yes Yes  
- Frequency: Annual  
- Description: Review of technical studies and recommendations  
- Approval: MoEFC

IR Indicator: Number of parameters that can be analyzed by the laboratories of Andhra Pradesh, Telangana and West Bengal Pollution Control Boards, increased  
- Yes / No: No No Yes Yes  
- Frequency: Semi-annual  
- Description: Reports from the laboratories of the two pollution control boards on the parameters analyzed  
- Approval: MoEFC

IR Indicator: Online network of State Pollution Control Boards for remediation established  
- Yes / No: No No Yes  
- Frequency: Semi-annual  
- Description: Report on staff accessing network for information on remediation  
- Approval: MoEFC

Component 2: Investments in Priority Remediation and Environmental Improvements

IR Indicator: Remediation plans prepared based on risk based approach and ready for implementation in all the three participating states  
- Yes / No: No No Yes Yes  
- Frequency: Semi-annual  
- Description: Review of technical studies and recommendations  
- Approval: MoEFC

IR Indicator: Post-remediation monitoring system with appropriate infrastructure and approved indicators established for all the three pilot sites by the completion of remediation works  
- Yes / No: No No Yes  
- Frequency: Annual  
- Description: Review of technical reports on post-remediation monitoring  
- Approval: MoEFC

IR Indicator: People with reduced direct exposure to pollution from sites remediated by the project  
- Yes / No: No No Yes Yes  
- Frequency: Annual  
- Description: Independent Assessment  
- Approval: MoEFC

Total estimated from pilot sub-projects (Kadapa - 12420, and Dhapa - 4818)