CREDIT NUMBER 5313-IN

Financing Agreement

(Uttarakhand Disaster Recovery Project)

between

INDIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated January 9, 2014
FINANCING AGREEMENT

AGREEMENT dated January 9, 2014 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 an amount equivalent to one hundred sixty three million Special Drawing Rights (SDR 163,000,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are April 15 and October 15 in each year.
2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. 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 cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.

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 — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

4.02. 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 V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is any of the following officials, acting severally; the Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary, or Under Secretary of the Department of Economic Affairs of the Recipient’s Ministry of Finance.
5.02. The Recipient’s Address is:

Secretary to the Government of India
Department of Economic Affairs
Ministry of Finance
North Block
New Delhi 110 001, India

Facsimile:

+91-11-23094075

5.03. The Association’s Address is:

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

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) 1-202-477-6391
Washington, D.C.
AGREED at New Delhi, India, as of the day and year first above written.

INDIA

By

Authorized Representative
Name: Nilaya Mitash
Title: Joint Secretary (M)

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative
Name: Onno Ruhl
Title: Country Director, India
SCHEDULE I

Project Description

The objectives of the Project are to restore housing, rural connectivity and build the resilience of communities in Uttarakhand and increase the technical capacity of state entities to respond promptly and effectively to an Eligible Crisis or Emergency.

The Project consists of the following parts:

Component 1: Resilient Infrastructure Reconstruction

1.1 Resilient Housing: Construction of about 2,500 multi-hazard resistant houses of Selected Beneficiaries, including the financing of a 10-year insurance coverage therefor, through a combination of conditional cash grants for owner-driven construction and the use of pre-fabricated materials.

1.2 Resilient Public Buildings: Construction/reconstruction of public buildings totally or partially damaged by the 2013 monsoon floods in accordance with seismic zone and multi-hazard resistance standards, including the provision of equipment and furniture therefor.

Component 2: Rural Road Connectivity

2.1 Rural Roads: Construction, restoration, realignment and/or upgrading of about 3,600 km of village roads damaged during the 2013 monsoon floods, including the strengthening, repair and/or reconstruction of culverts, bridges, cross drain structures, retaining/breast walls and ancillary Road Furniture.

2.2 Other District Roads: Construction, restoration, realignment and/or upgrading of about 675 km of Other District Roads damaged during the 2013 monsoon floods, including the strengthening, repair and/or reconstruction of culverts, bridges, cross drain structures, retaining side walls and ancillary Road Furniture.

2.3 Bridle Roads and Bridges: Construction and/or restoration of about 440 km of bridle roads and about 140 bridle bridges damaged or destroyed during the 2013 monsoon floods.

Component 3: Technical Assistance and Capacity Building for Disaster Risk Management

3.1 Risk Assessment Modeling: (i) Development and/or establishment of a multi-hazard risk assessment framework for Uttarakhand; (ii) training courses for state officials and technical disaster risk management experts in order to build a local, sustainable risk assessment capacity; (iii) a monitoring and evaluation framework to ensure the appropriate uses of risk assessment information; and (iv)
strengthening of Uttarakhand Space Application Center’s institutional capacity to become a key disaster risk management institution.

3.2 **Decision Support System:** Establishment of a decision support system in order to integrate, analyze and display information regarding the tracking and reporting of financial and physical progress of the recovery and reconstruction program and performance of grievance redress mechanisms.

3.3 **River Morphology Study:** Carrying out of studies on the morphology of rivers that were impacted by the disaster in order to analyze and identify critical protection works needed for river bank strengthening.

3.4 **Side Slope Stabilization Study:** (i) Carrying out of studies to determine the scope of the slope stabilization work needed; (ii) implementation of the slope stabilization work recommended therein; and (iii) establishment of a sustainable slope stabilization institutional mechanism.

3.5 **Uttarakhand State Disaster Management Authority:** Strengthening the institutional capacity of the Department of Disaster Management by supporting the institutional set-up of the Uttarakhand State Disaster Management Authority.

3.6 **Hydro-meteorological Network and Early Warning System:** Assessment of Uttarakhand’s hydro-meteorological capability and development of a hydro-meteorological modernization for the state’s line agencies; and review and enhancement of Uttarakhand’s early warning system, correcting critical gaps and improving emergency preparedness and response by optimizing the use of existing state networks and facilities.

3.7 **Strengthening Emergency Response Capacity:** Strengthening the capacity of Uttarakhand’s disaster response force, fire services personnel and other immediate response agencies to respond adequately to disaster situation, through the provision of search and rescue equipment and training.

**Component 4: Financing Disaster Response Expenses**

Procurement of Critical Goods and Non-Consulting Services required or utilized by the Project Implementing Entity to provide urgent disaster response.

**Component 5: Implementation Support**

Strengthening the institutional capacity of Uttarakhand, in particular the PMU and the PIUs of the Line Departments and Agencies, for the management and implementation of the Project.
Component 6: Contingency Emergency Response

Providing immediate response to an Eligible Crisis or Emergency, as needed.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. On-lending Arrangements

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity 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 govern.

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

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall cause the Project Implementing Entity to 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 (1) calendar quarter, and shall be furnished to the Association not later than sixty (60) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained 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 cause the Project Implementing Entity to prepare and furnish to the Recipient and the Association not later than sixty (60) days after the end of each calendar quarter interim financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall cause the Project Implementing Entity to have its 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 (1) fiscal year of the Project Implementing Entity, commencing with the fiscal year in which the first withdrawal was made. 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 of this Sub-Section III.B and/or sub-section III.D 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) National Competitive Bidding, subject to the additional provisions agreed from time to time in the Procurement Plan; (b) Shopping; (c) Direct Contracting; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association Framework Agreement; and (e) Force Account.

C. Particular Methods of Procurement of Consultants’ Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 of this Sub-Section III.C and/or Sub-Section III.D 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 based on Consultants’ Qualifications; (c) Single-source Selection of consulting firms and Individual Consultants; and (d) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants.

D. Procurement of Emergency Expenditures under the CER Component of the Project

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for each of the CER Component of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CER Operations Manual.

E. 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.

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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services,</td>
<td>163,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>Insurance Premia, Training and Workshops, and Incremental Operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs, Housing Sub-grants, Critical Goods and Services, and Rental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistance for Component 1 through 5 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Emergency Expenditures for the CER Component</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>163,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

(a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 20,000,000 equivalent may be made for payments made prior to this date but on or after June 15, 2013, for Eligible Expenditures under Category (1); or

(b) under Category (2), unless and until the Association is satisfied, and has notified the Recipient and the Project Implementing Entity of its satisfaction, that all of the following conditions have been met:

(i) the Recipient and the Project Implementing Entity have determined that an Eligible Crisis or Emergency has occurred,
have furnished to the Association a request to include certain activities in the CER Component in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request, and notified the Recipient and the Project Implementing Entity thereof;

(ii) the Project Implementing Entity has prepared and disclosed all safeguard instruments, acceptable to the Association, required for said activities, and has implemented any actions which are required to be taken under said instruments all in accordance with the provisions of Section I.F.1(a)(vi) of the Schedule to the Project Agreement;

(iii) the Project Implementing Entity has provided sufficient evidence satisfactory to the Association, that the Coordinating Authority has adequate staff and resources in accordance with the provision of Section I.F.2 of the Schedule to the Project Agreement, for the purposes of said activities; and

(iv) the Project Implementing Entity has adopted a CER Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CER Operations Manual remain –or have been updated in accordance with the provisions of Section I.F.1(a) of the Schedule to the Project Agreement, so as to be— appropriate for the inclusion and implementation of said activities under the respective CER Component.

2. The Closing Date is December 31, 2017.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>Commencing April 15, 2019 to and including October 15, 2028</td>
<td>1.65%</td>
</tr>
<tr>
<td>Commencing April 15, 2029 to and including October 15, 2038</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions


2. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

3. "CER Component" means Component 6 of the Project, as described in Schedule 1 to this Agreement.

4. "CER Operations Manual" means the immediate response mechanism operations manuals referred to in Section I.F of the Schedule to the Project Agreement, acceptable to the Association to be adopted by the Project Implementing Entity for the implementation of the CER Component, in accordance with the provision of said Section.


6. "Coordinating Authority" means the entity or entities designated by the Project Implementing Entity in the CER Operations Manual, and approved by the Association pursuant to Section I.F.1(a) of the Schedule to the Project Agreement, to be responsible for coordinating their respective CER Component.

7. "Core Committee" means the committee referred to in Section I.A.2.(a) of the Schedule to the Project Agreement, to be established to provide policy guidance for, and exercise general oversight of, the implementation of Project activities.

8. "Critical Goods and Services" means fuel utilized for helicopter rescue missions, the hiring of heavy equipment for clearing of roads to restore immediate connectivity, and/or other expenses agreed from time to time in writing between the Project Implementing Entity and the Association.

9. "Department of Disaster Management" means the department of state of the State of Uttarakhand concerned with the management and mitigation of natural disasters, or any successor thereto.

10. "Disaster Mitigation and Management Center" and the acronym "DMMC" mean the autonomous institute under the aegis of Department of Disaster Management,
which is the apex center in the field of disaster mitigation and management in Uttarakhand, or any successor thereto.

11. “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.

12. “District Level Coordination Unit” means each district committee, referred to in Section I.A.2(e) of the Schedule to the Project Agreement, headed by a magistrate that will coordinate and monitor district level executing agencies in the implementation of the Project, and coordinate with the PIU.

13. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to any of the Project Implementing Entity, associated with a natural or man-made crisis or disaster.

14. “Emergency Expenditures” means any of the eligible expenditures set forth in the CER Operations Manual, in accordance with the provision of Section I.F of the Schedule to the Project Agreement, and required for the activities described in such manual to be financed under the said CER Component.

15. “ESMF” means the Project Implementing Entity’s environmental and social management framework disclosed by Uttarakhand on September 18, 2013, setting forth the guiding principles, standards and procedures for: (a) the screening of Project activities and the identification of any adverse or positive environmental impacts caused, or expected to be caused, on account of their implementation; and (b) the preparation of their prescribed environmental impact assessments and environmental management plans, social impact assessments and social management plans, and resettlement action plans for Displaced Persons; as such framework may be revised, updated or supplemented from time to time with the prior written concurrence of the Association.

16. “GAAP” means the Project Implementing Entity’s governance and accountability action plan dated October 4, 2013, for purposes of the Project; which plan sets out the key actions to be undertaken by the Project Implementing Entity to strengthen governance, transparency and accountability under the Project; as such action plan may be revised, updated or supplemented, from time to time, with the prior written concurrence of the Association.
17. "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.

18. "High Powered Committee for Sanctioning of Post Disaster Reconstruction Works" means the committee referred to in Section I.A.2 (b) of the Schedule to the Project Agreement.

19. "Housing Sub-grant" means each conditional cash grant to be provided by the PMU to Selected Beneficiaries in various installments, for up to the amount of five hundred thousand Indian Rupees (INR500,000), or any other amount established from time to time in the Operations Manual, subject to the terms and conditions set out in Section I.D.2 of the Schedule to the Project Agreement, and the verification of the achievement of the housing construction milestones, as set forth in the Operations Manual; and “Housing Sub-grants” means more than one Housing Sub-grant.

20. "Incremental Operating Costs" means the reasonable costs of incremental expenditures incurred by the Project Implementing Entity on account of Project implementation, management and monitoring, including, inter alia: (i) costs of incremental contractual staff salaries (other than consultants) and civil servants deputed to the Project; (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.

21. "Insurance Premia" means the reasonable amount paid by the Project Implementing Entity for the insurance coverage for up to ten (10) years of the resilient houses (excluding assets within) reconstructed under Component 1.1. of the Project.

22. "Line Departments and Agencies" means PWD, USIDC, USDMA, and USAC.

23. "Operations Manual" means the manual dated October 4, 2013 prepared and adopted by the Project Implementing Entity, setting forth guidelines and procedures for the implementation of the Project, including: (i) the allocation of functions, powers and responsibilities between the Steering Committee, the USDMA, the PMU and the Line Departments and Agencies, for Project implementation; (ii) the financial management arrangements consistent with Section II of Schedule 2 to this Agreement; (iii) the eligibility criteria for Selected Beneficiaries and the amounts and terms and conditions of the Housing Sub-grants ("Policy Document for Housing Reconstruction"); (iv) the key action to be undertaken by the various implementation units and the Line Departments and Agencies in order to strengthen/ensure their governance and accountability;
(v) the monitoring and evaluation framework for Project activities; and (vi) design and technical standards for resilient housing, resilient public buildings, village roads, Other District Roads and bridle roads and bridges to be constructed/reconstructed under the Project, as said manual may be amended from time to time with the prior concurrence of the Association.

24. “Other District Roads” means link roads between village roads and major district roads, to be constructed, restored, realigned or graded under Sub-component 2.2 of the Project.

25. “Project Implementation Units’ and the acronym “PIUs” mean each of the project implementation units referred to in Section I.A.2(d) of the Schedule to the Project Agreement.


27. “Procurement Plan” means the Recipient’s simplified procurement plan for the Project, dated October 4, 2013 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.


29. “Project Management Unit” and the acronym “PMU” mean the project management unit referred to in Section I.A.2(c) of the Schedule to the Project Agreement.

30. “PWD” means the Project Implementing Entity’s Public Works Department or any successor thereto.

31. “Rental Assistance” means the rental allowance in the amount of INR3,000 per household, per month, paid by Uttarakhand to Selected Beneficiaries under Component 1.1 of the Project, commencing on June 15, 2013 and for a duration not to exceed the earlier of: (i) two years from that date; or (ii) the completion of the housing re-construction for the respective Selected Beneficiary, all in accordance with the provisions of the Operations Manual.

32. “Road Furniture” means ancillary road signage, safety and traffic management features such as signboards, speed breakers, delineators, pillar lights, semaphores, road curbstones, pavestones, phone booths, and disaster mitigation/accident information systems, or such other items ancillary to Project
roads as the Project Implementing Entity and the Association may agree in writing from time to time.

33. “Safeguard Documents” means collectively, the ESMF and the environmental assessments, environmental management plans, social assessments, social management plans, resettlement action plans for Displaced Persons and other documents (to be) prepared, disclosed and implemented pursuant to Section I.E.2. of the Schedule to the Project Agreement.

34. “Selected Beneficiary” means each beneficiary of a Housing Sub-grant referred to in Section I.A.2 (e) of the Project Agreement and selected by the District Level Coordination Unit in which such beneficiary resides pursuant to the criteria set out in the Operations Manual, and “Selected Beneficiaries means more than one Selected Beneficiary.

35. “Training and Workshops” means the reasonable costs of training and workshops incurred by the Project Implementing Entity on account of Project implementation, including inter alia: (i) study tours, courses, conferences and workshops conducted and/or attended by staff of 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 the purchase and publication of materials, rental of facilities, course fees, and lodging, travel expenses and per diems for trainers and/or trainees.


37. “Uttarakhand Space Application Center” and the acronym “USAC” means the Uttarakhand’s remote sensing agency, referred to in Sub-component 3.1 of the Project, or any successor thereto.

38. “Uttarakhand State Disaster Management Authority” and the acronym “USDMA” mean the authority established by Uttarakhand by the Disaster Management Act of 2005, to be vested with the responsibility for the overall coordination of Project activities by the Project Implementing Entity, or any successor thereto.

39. “Uttarakhand State Infrastructure Development Corporation” and the acronym “USIDC” means the main construction agency of Uttarakhand, the implementing agency for Component 1 of the Project, or any successor thereto.

**Section II. Modifications to the General Conditions**

The modifications to the General Conditions are as follows:
1. Section 3.02 is modified to read as follows:

"Section 3.02. Service Charge and Interest Charge

(a) Service Charge. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge 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. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) 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 shall be computed on the basis of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the remaining paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).