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No. 5/26/2005-ADB.I  
Government of India / Ministry of Finance  
Department of Economic Affairs  
Multilateral Institutions Division

**F A X**

**From :** Sanjay Kumar Singh, Under Secretary (ADB.I), DEA, Ministry of Finance, New Delhi (Fax: 91-11-2309 2477/ 2511, Tel: 91-11-2309 5074)

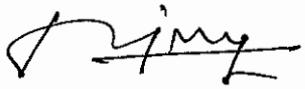
**To:** Mr. Hun Kim, Country Director, INRM, Asian Development Bank, 4 San Martin Marg, Chanakyapuri, New Delhi (Fax: 91-11-26870955 / 26870946)

**Subject:** Loan Bo. 2293-IND: Kolkata Environment Improvement Project (KEIP) –Reallocation of Funds- Amendment to the Loan Agreement reg.

Please find enclosed a copy of amended loan agreement (in original) in r/o the captioned project duly signed in ink by the authorised signatories on behalf of GoI and Government of West Bengal.

**Dated:** the 28<sup>th</sup> June, 2013

**Encl:** As above

  
(Sanjay Kumar Singh)  
e-mail: [sks.singh@nic.in](mailto:sks.singh@nic.in)

**Copy, with original document, to:**

Mr. Tapas Chowdhury, Project Director, Kolkata Environment Improvement Project, 206 AJC Bose Road, Kolkata – 700 017 [Fax: 91-33-22834489]



21 June 2013

Mr. Nilaya Mitash  
 Joint Secretary (MI)  
 Department of Economic Affairs  
 Ministry of Finance  
 Room No.48-D, North Block  
 New Delhi  
 India  
 Fax No. +91-11-2309 7511

Dear Sir:

**Subject: Loan No. 2293-IND: Kolkata Environmental Improvement Project  
 (Supplementary) – Amendment to the Loan Agreement**

1. Reference is made to the Loan Agreement for the captioned Project between India (the Borrower) and the Asian Development Bank (the ADB) dated 21 February 2007 as amended to date. This letter for amendment relates to reallocation of loan funds and minor change in project scope for the said Project. In this letter, captioned terms have the meaning attributed thereto in the Loan Agreement, unless the context requires otherwise.

2. In this regard, we refer to the letter from the Borrower dated 17 June 2013 endorsing the request dated 01 June 2013 of the executing agency for the Project, i.e. Kolkata Municipal Corporation (referred as KEIP in the Borrower's letter) to allow reallocation of Loan funds and Minor Change to the Project.

3. ADB has reviewed the request and accepts the same. To enable the request, the Loan Agreement needs to be amended as follows:

a) Table on 'Allocation and Withdrawal of Loan Proceeds' (attachment to Schedule 3 of the Loan Agreement) needs to be revised as indicated below with revised figures indicated in underlined italics for easy reference.

Attachment to Schedule 3 (Amended)

TABLE

| ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS<br>(Kolkata Environmental Improvement Project - Supplementary) |  |                       |                      |   |
|---|--|-----------------------|----------------------|---|
| CATEGORY  |  |                       |                      | ADB FINANCING   |
| Number  | Item   | Amount Allocated (\$) |                      | Percentage and Basis for Withdrawal from the Loan Account |
|   |  | Current               | <u>Amended</u>       |   |
| 01  | Works  | 72,160,000.00         | <u>67,680,000.00</u> | 72 percent of total expenditure                           |
| 02  | Equipment & Materials                                    | 0.00                  | <u>3,000,000.00</u>  | 100 percent of total expenditure*                         |
| 03  | Consulting Services                                      | 7,840,000.00          | <u>8,960,000.00</u>  | 100 percent of total expenditure*                         |
| 04  | Unallocated  | 0.00                  | <u>0.00</u>          | -   |
| 05  | <u>Operation and Maintenance of Resettlement Housing</u> | -                     | <u>360,000.00</u>    | <u>100 percent of total expenditure*</u>                  |
| <b>Total</b>  |  | <b>80,000,000.00</b>  | <b>80,000,000.00</b> |   |

\* excluding duties and taxes

b) Amendment to Schedule 5 to the Loan Agreement needs to be incorporated by way of addition of a new paragraph number 19 (indicated in underlined italics) as follows.

Operation and Maintenance of Resettlement Housing

19. Towards sustainable operation and maintenance of resettlement housing facilities under the Project, the State and KMC shall

(a) make available necessary funds earmarked under a revolving fund and ensure procurement under appropriate arrangements to the satisfaction of ADB in accordance with established procedures allowed under ADB Loan 1813, to the relevant housing cooperative societies on a timely basis;

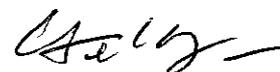
(b) extend all technical support and guidance to the relevant housing cooperative societies including on fund management and procurement to undertake the operation and maintenance of the resettlement housing facilities under the Project; and

(c) provide implementation report to ADB on the above referred operation and maintenance activities as part of the quarterly progress reports to ADB including the project completion report.

4. Kindly indicate your agreement to the above by obtaining countersignatures of the executing agencies i.e., the State of West Bengal, and Kolkata Municipal Corporation, and further countersigning yourself, all four originals of this letter in the appropriate space provided. Please return one original signed letter to ADB. One signed original each may be retained for your records and for that of the State of West Bengal, and Kolkata Municipal Corporation. The proposed amendment will be effective as of the date ADB receives the letter duly countersigned on behalf of the Borrower, State of West Bengal and Kolkata Municipal Corporation.

5. Please also note that according to the ADB's Public Communications Policy (PCP) on disclosure and exchange of information, any amendment to the Loan Agreement will automatically be publicly disclosed within 2 weeks after its effectiveness, unless ADB is advised by return mail by the Borrower that the amendment contains any information or data of a sensitive or confidential nature falling under the PCP exceptions.

Sincerely,



Hun Kim  
Country Director

- cc:
1. Puneet Agarwal, Director (ADB), DEA, MoF
  2. S. K. Singh, Under Secretary (ADB-I), DEA, MoF
  3. B.P. Gopalika, Secretary, Municipal Affairs, Government of West Bengal
  4. Khalil Ahmed, Municipal Commissioner, Kolkata Municipal Corporation

Confirmed:

1. For India

*h. m.*

Name: \_\_\_\_\_

(निलय मिश्रा)  
(NILAYA MITASH)  
Secretary  
Min. of Municipal Affairs, Govt. of India  
उपसचिव नगर विभाग, Dept. of Soc. Affairs,  
सर्वसंघ सरकार, Govt. of India

Designation: JS(MI), DPA

Date: 28/06/13

2. For State of West Bengal

*me*

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Secretary  
Municipal Affairs Department  
Government of West Bengal

Date: 27/06/13

3. For Kolkata Municipal Corporation

Name: \_\_\_\_\_

*Pradip Chatterjee*

Municipal Commissioner

Designation: The Kolkata Municipal Corporation

Date: 27/06/13