

PD-AA1-832
15N 152

3860471004902

✓
th

A. I. D. Loan No. 386-T-226

Project No. 386-0471 ✓

FIRST AMENDMENT
TO THE
PROJECT LOAN AGREEMENT
BETWEEN
THE PRESIDENT OF INDIA
AND
THE UNITED STATES OF AMERICA
FOR
FERTILIZER PROMOTION ✓

(Conformed Copy)

Dated: May 27, 1980

First Amendment to Project Loan Agreements

This Amendment entered into on May 27, 1980 between the President of India (Borrower) and the United States of America acting through the Agency for International Development (A.I.D.) hereby amends Project Loan Agreement No. 386-T-226 dated September 28, 1979 for Fertilizer Promotion.

WITNESSETH

Whereas the Project Loan Agreement provided that A.I.D. would lend the Borrower an amount not to exceed United States dollars Twenty-Two Million (\$22,000,000) for the Project; and

Whereas the Borrower has requested that additional funds in the sum of United States dollars Forty Four Million (\$44,000,000) be made available for the Project for a new total loan of United States Dollars Sixty Six Million (\$66,000,000); and

Whereas A.I.D. is prepared to make the additional funds available as requested by the Borrower;

NOW THEREFORE

A. Section 3.1 of Article 3 of the Project Loan Agreement is hereby amended to read as follows:

"Section 3.1. The Loan. To assist the Borrower to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to lend the

Borrower under the terms of this Agreement not to exceed Sixty Six Million United States ("U.S.") dollars (\$66,000,000) ("Loan"). The aggregate amount of disbursement under the Loan is referred to as "Principal".

The Loan may be used to finance foreign exchange costs as defined in Section 7.1 of goods and services required for the Project."

B. Section 3.3 of Article 3 of the Project Loan Agreement is hereby amended to read as follows:

"Section 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is December 31, 1981, or such other date as the Parties may agree to in writing is the date by which the Parties estimate that all services financed under the Loan will have been performed and all goods financed under the Loan will have been furnished for the Project as contemplated in this Agreement".

C. As a condition precedent to disbursement of funds provided under this Amendatory Agreement, Borrower will, except as A.I.D. may agree otherwise in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., evidence of arrangements for the procurement of A.I.D.-financed commodities including a draft tender document containing specifications for imported fertilizers, and

ocean shipping charter party format. If such conditions have not been met within 90 days from the date of this Amendatory Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Amendatory Agreement by written notice to the Borrower.

D. Section 7.1 of Article 7 of the Project Loan Agreement is hereby amended to read as follows:

"Section 7.1. Foreign Exchange Costs. Disbursements made pursuant to Section 8.1 will be used exclusively to finance the costs of goods required for the Project having their source and origin in Code 000 (United States) of the A.I.D. Geographic Code Book and for procurement of services and for the procurement of Di-ammonium Phosphate and Urea up to the amount of Twenty Two Million Dollars (\$22,000,000) in countries included in Code 941 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods and services ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Standard Provisions Annex, Section C.1 (a) with respect to ocean and air shipping and Section C.1 (b) with respect to marine insurance".

