

ODA Loan to On-Going Project in India

OECF (The Overseas Economic Cooperation Fund Japan: President, Chairman of the Board: Mr. Kyosuke Shinozawa) has committed to provide a loan for India totaling up to 11,537 million yen for the Bakreswar Thermal Power Station Unit 3 Extension Project (II). The loan agreement was signed at OECF Head Office at Tokyo by Mr. Kyosuke Shinozawa, President, Chairman of the Board, and H. E. Mr. Siddharth Singh, Ambassador Extraordinary and Plenipotentiary of India to Japan. The cumulative total of ODA loan to India now stands at 1,641.85 billion yen with 143 projects. The amount, terms and conditions and project description are as follows.

1. Amount Terms and Conditions

Project Name	Amount (Mil. yen)	Interest Rate (% p.a.)	Repayment Period /Grace period (years)	Tying Status
Bakreswar Thermal Power Station Unit 3 Extension Project (II)	11,537	1.8	30 / 10	General Untied

2. PROJECT DESCRIPTION

Bakreswar Thermal Power Station Unit 3 Extension Project (II)

West Bengal State, the eastern part of India where the project is located, faces chronic power shortfall. Therefore, it is planned to construct a coal-fired thermal power station of 1,050MW capacity (210MW×5units) which will utilize India's low sulfur coal in order to alleviate the chronic power shortfall in the State. The project includes provision for continuous environmental monitoring.

The proceeds of the loan will be used for the construction of the power station Unit 3 of 210MW capacity, procurement of relevant equipment and materials, and consulting services (project monitoring, etc.).

The Executing Agency is the West Bengal Power Development Corporation Ltd. (WBPDCL) (Address : New Secretariat Buildings, 'B' Block, 6th Floor, 1, Kiron Shankar Roy Road, Calcutta-700 001, India, TEL : 91-33-248-6459, FAX : 91-33-210-3991).

(*) As a sequel to the nuclear tests conducted by India in May 1998, the Government of Japan in accordance with its ODA Charter, decided to freeze ODA loan to new projects in India, with the exception of those to on-going projects.

This loan follows the ODA loan for Bakreswar Thermal Power Station Unit 3 Extension Project (8.659 billion yen), signed on February 25, 1995.