

No. 4590

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**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
and  
INDIA**

**Loan Agreement—*Third DVC Project* (with annexed Loan Regulations No. 3 and Project Agreement between the Bank and Damodar Valley Corporation). Signed at Washington, on 23 July 1958**

*Official text: English.*

*Registered by the International Bank for Reconstruction and Development on 6 December 1958.*

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**BANQUE INTERNATIONALE POUR  
LA RECONSTRUCTION ET LE DÉVELOPPEMENT  
et  
INDE**

**Contrat d'emprunt — *Troisième projet relatif à la Damodar Valley Corporation* (avec, en annexe, le Règlement n° 3 sur les emprunts et le Contrat relatif à un Projet entre la Banque et la Damodar Valley Corporation). Signé à Washington, le 23 juillet 1958**

*Texte officiel anglais.*

*Enregistré par la Banque internationale pour la reconstruction et le développement le 6 décembre 1958.*

No. 4590. LOAN AGREEMENT<sup>1</sup> (*THIRD DVC PROJECT*)  
BETWEEN INDIA AND THE INTERNATIONAL BANK  
FOR RECONSTRUCTION AND DEVELOPMENT. SIGN-  
ED AT WASHINGTON, ON 23 JULY 1958

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AGREEMENT, dated July 23, 1958, between INDIA, acting by its President (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS the Bank has previously financed the foreign exchange costs of projects forming a part of a development program in the Damodar Valley and has entered into a Loan Agreement with the Borrower, dated April 18, 1950,<sup>2</sup> a Project Agreement with Damodar Valley Corporation, dated April 15, 1950,<sup>2</sup> a Loan Agreement with the Borrower, dated January 23, 1953<sup>3</sup> and a Project Agreement with Damodar Valley Corporation, dated January 23, 1953;<sup>3</sup>

WHEREAS the Borrower and Damodar Valley Corporation have requested the Bank to assist in financing a power project in the Damodar Valley;

NOW THEREFORE the parties hereto agree as follows :

*Article I*

LOAN REGULATIONS; SPECIAL DEFINITIONS

*Section 1.01.* The parties to this Loan Agreement accept all the provisions of Loan Regulations No. 3 of the Bank dated June 15, 1956,<sup>4</sup> subject, however, to the modifications thereof set forth in Schedule 3<sup>4</sup> to this Agreement (said Loan Regulations No. 3 as so modified being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

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<sup>1</sup> Came into force on 26 September 1958, upon notification by the Bank to the Government of India.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 155, p. 117.

<sup>3</sup> United Nations, *Treaty Series*, Vol. 201, p. 145.

<sup>4</sup> See p. 20 of this volume.

*Section 1.02.* Unless the context otherwise requires, the following terms shall have the following meanings :

(a) "Damodar" means Damodar Valley Corporation, a corporation organized and existing under the laws of India.

(b) "Third Project Agreement" means the Project Agreement of even date herewith between the Bank and Damodar.<sup>1</sup>

(c) "Participating Government" means the Borrower and the States of Bihar and West Bengal and any other government which shall be added as a participating government by amendment of the Damodar Valley Corporation Act, 1948, or any successor of any of the foregoing.

## Article II

### THE LOAN

*Section 2.01.* The Bank agrees to lend to the Borrower, on the terms and conditions in this Agreement set forth or referred to, an amount in various currencies equivalent to twenty-five million dollars (\$25,000,000).

*Section 2.02.* The Bank shall open a Loan Account on its books in the name of the Borrower and shall credit to such Account the amount of the Loan. The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject to the rights of cancellation and suspension set forth in, the Loan Regulations.

*Section 2.03.* The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent ( $\frac{3}{4}$  of 1%) per annum on the principal amount of the Loan not so withdrawn from time to time. Such commitment charge shall accrue from a date sixty days after the date of this Agreement to the respective dates on which amounts shall be withdrawn by the Borrower from the Loan Account as provided in Article IV of the Loan Regulations or shall be cancelled pursuant to Article V of the Loan Regulations.

*Section 2.04.* The Borrower shall pay interest at the rate of five and three-eighths per cent ( $5\frac{3}{8}$ %) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

*Section 2.05.* Except as the Borrower and the Bank shall otherwise agree, the charge payable for special commitments entered into by the Bank at the request of the Borrower pursuant to Section 4.02 of the Loan Regulations shall be at the rate of one-half of one per cent ( $\frac{1}{2}$  of 1%) per annum on the principal amount of any such special commitments outstanding from time to time.

<sup>1</sup> See p. 22 of this volume.

*Section 2.06.* Interest and other charges shall be payable semi-annually on February 1 and August 1 in each year.

*Section 2.07.* The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 1<sup>1</sup> to this Agreement.

### *Article III*

#### USE OF PROCEEDS OF THE LOAN

*Section 3.01.* The Borrower shall cause the proceeds of the Loan to be applied exclusively to financing the cost of goods required to carry out the Project described in Schedule 2<sup>2</sup> to this Agreement. The specific goods to be financed out of the proceeds of the Loan and the methods and procedures for procurement of such goods shall be determined by agreement between the Borrower and the Bank, subject to modification by further agreement between them.

*Section 3.02.* The Borrower shall cause all goods financed out of the proceeds of the Loan to be used in the territories of the Borrower exclusively in the carrying out of the Project.

### *Article IV*

#### BONDS

*Section 4.01.* The Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in the Loan Regulations.

*Section 4.02.* A Secretary to the Government of India in the Ministry of Finance is designated as the authorized representative of the Borrower for the purposes of Section 6.12 of the Loan Regulations.

### *Article V*

#### PARTICULAR COVENANTS

*Section 5.01.* (a) The Borrower shall cause the Project to be carried out with due diligence and efficiency and in conformity with sound engineering and financial practices.

(b) The Borrower shall cause Damodar punctually to perform all the covenants and agreements on its part to be performed as set forth in the Third

<sup>1</sup> See p. 16 of this volume.

<sup>2</sup> See p. 18 of this volume.

Project Agreement, and shall take or cause to be taken all action which shall be necessary in order to enable Damodar to perform such covenants and agreements.

(c) The Borrower shall provide or cause to be provided to Damodar funds required for the carrying out of the Project.

*Section 5.02.* (a) The Borrower and the Bank shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan. On the part of the Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower and the international balance of payments position of the Borrower.

(b) The Borrower and the Bank shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan and the maintenance of the service thereof. The Borrower shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan or the maintenance of the service thereof.

(c) The Borrower shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the territories of the Borrower for purposes related to the Loan.

*Section 5.03.* It is the mutual intention of the Borrower and the Bank that no other external debt shall enjoy any priority over the Loan by way of a lien on governmental assets. To that end, the Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower or of any of its political subdivisions or of any agency of the Borrower or of any such political subdivision as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply to: (a) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; (b) any pledge of commercial goods to secure debt maturing not more than one year after its date and to be paid out of the proceeds of sale of such commercial goods; or (c) any pledge by the Reserve Bank of India of any of its assets in the ordinary course of its banking business to secure any indebtedness maturing not more than one year after its date.

*Section 5.04.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid without deduction for, and free from, any taxes (including duties, fees or impositions) imposed under the laws of the Bor-

rower or laws in effect in its territories; provided, however, that the provisions of this Section shall not apply to taxation of, or duties or fees or impositions levied upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Borrower.

*Section 5.05.* The Loan Agreement, the Third Project Agreement and the Bonds shall be free from any taxes (including duties, fees or impositions) that shall be imposed under the laws of the Borrower or laws in effect in its territories on or in connection with the execution, issue, delivery or registration thereof and the Borrower shall pay all such taxes (including duties, fees or impositions), if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries.

*Section 5.06.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid free from all restrictions imposed under the laws of the Borrower or laws in effect in its territories.

*Section 5.07.* The Borrower shall cause to be provided the funds necessary to replace or repair any goods purchased in whole or in part with the proceeds of the Loan which shall be damaged, destroyed or lost.

## Article VI

### REMEDIES OF THE BANK

*Section 6.01.* (i) If any event specified in paragraph (a) or paragraph (b) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days, or (ii) if any event specified or referred to in paragraph (c) or paragraph (h) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its option, may declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement or in the Bonds to the contrary notwithstanding.

*Section 6.02.* For the purposes of Section 5.02 (h) of the Loan Regulations, the following additional event is specified: a default shall have occurred in the performance of any covenant or agreement of Damodar under the Third Project Agreement or under any other project agreement in force between Damodar and the Bank.

*Article VII*

## EFFECTIVE DATE; TERMINATION

*Section 7.01.* The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 9.01 (b) of the Loan Regulations :

(a) The execution and delivery of the Third Project Agreement on behalf of Damodar shall have been duly authorized or ratified by all necessary corporate and governmental action.

(b) All necessary acts, consents and approvals to authorize the construction and operation of the Project by Damodar with all necessary powers and rights in connection therewith shall have been performed or given.

*Section 7.02.* The following are specified as additional matters, within the meaning of Section 9.02 (c) of the Loan Regulations, to be included in the opinion or opinions to be furnished to the Bank :

(a) that Damodar has full power and authority to construct and operate the Project and has all necessary rights and powers in connection therewith and that all acts, consents and approvals of each Participating Government necessary therefor have been duly and validly performed or given.

(b) that the Third Project Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, Damodar and constitutes a valid and binding obligation of Damodar in accordance with its terms.

*Section 7.03.* A date ninety days after the date of this Agreement is hereby specified for the purposes of Section 9.04 of the Loan Regulations.

*Article VIII*

## MISCELLANEOUS

*Section 8.01.* The Closing Date shall be March 31, 1961.

*Section 8.02.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Borrower :

The Secretary, Ministry of Finance of India  
New Delhi, India

Alternative address for cablegrams and radiograms :

Finance Ministry  
New Delhi

For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D. C.  
United States of America

Alternative address for cablegrams and radiograms :  
Intbafrad  
Washington, D. C.

*Section 8.03.* A Secretary to the Government of India in the Ministry of Finance is designated for the purposes of Section 8.03 of the Loan Regulations.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

India :

By Harishwar DAYAL  
Authorized Representative

International Bank for Reconstruction and Development :

By J. BURKE KNAPP  
Vice President

### SCHEDULE 1

#### AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>
August 1, 1961	\$439,000	August 1, 1970	708,000
February 1, 1962	451,000	February 1, 1971	727,000
August 1, 1962	463,000	August 1, 1971	746,000
February 1, 1963	476,000	February 1, 1972	766,000
August 1, 1963	488,000	August 1, 1972	787,000
February 1, 1964	501,000	February 1, 1973	808,000
August 1, 1964	515,000	August 1, 1973	830,000
February 1, 1965	529,000	February 1, 1974	852,000
August 1, 1965	543,000	August 1, 1974	875,000
February 1, 1966	558,000	February 1, 1975	899,000
August 1, 1966	573,000	August 1, 1975	923,000
February 1, 1967	588,000	February 1, 1976	947,000
August 1, 1967	604,000	August 1, 1976	973,000
February 1, 1968	620,000	February 1, 1977	999,000
August 1, 1968	636,000	August 1, 1977	1,026,000
February 1, 1969	654,000	February 1, 1978	1,054,000
August 1, 1969	671,000	August 1, 1978	1,082,000
February 1, 1970	689,000		

\* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.02), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.



## PREMIUMS ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any part of the principal amount of the Loan pursuant to Section 2.05 (b) of the Loan Regulations or on the redemption of any Bond prior to its maturity pursuant to Section 6.16 of the Loan Regulations :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than 3 years before maturity . . . . .	$\frac{1}{2}$ of 1%
More than 3 years but not more than 6 years before maturity . . . . .	1 $\frac{3}{8}$ %
More than 6 years but not more than 11 years before maturity . . . . .	2 $\frac{1}{8}$ %
More than 11 years but not more than 16 years before maturity . . . . .	3 $\frac{3}{8}$ %
More than 16 years but not more than 18 years before maturity . . . . .	4 $\frac{3}{8}$ %
More than 18 years before maturity . . . . .	5 $\frac{3}{8}$ %

## SCHEDULE 2

## DESCRIPTION OF PROJECT

A. *Durgapur Thermal Power Station*

The Durgapur Thermal Station will be located near Oyaria Railway Station about 100 miles to the northwest of Calcutta and close to the Durgapur Steel Plant. This station will be equipped initially with two hydrogen cooled turbo-generator units, each of 75,000 kw nominal rating and 82,500 kw maximum capacity at 0.85 p.f. and 13,800 V at 3,000 rpm, designed to operate on unit system whereby each unit will have its own condenser with circulating water and condensate pumps, steam-generator, transformers and other auxiliary equipment.

The turbines, which will be of condensing type, will be designed to operate at 1450 psi steam pressure and 1000° F steam temperature and each will be provided with its own condenser of the double pass, cross-flow type with 65,000 sq. ft. surface capacity.

The two steam-generators will be of the semi-outdoor type, each designed to generate 730,000 pounds of steam per hour at 1,500 psi steam pressure and 1,005° F steam temperature at super-heater outlet. They will be of the dry bottom, ceiling fixed type suitable for pulverized coal and/or middlings and/or coke oven gas firing.

Each turbo-generator will be directly connected to its own power transformer of 100 Mva, which will be of the outdoor forced oil water cooled type and step up the generator voltage from 13.2 to 138 kv. While the low voltage side will be directly connected with the generator terminals, the high voltage side will be connected to the main bus through a 132 kv circuit breaker and the generator transformer will be controlled as one unit.

B. *Bokaro Thermal Power Station*

One complete unit of 75,000/82,500 kw similar in design to the units at Durgapur, except that the boiler unit will be equipped to burn pulverized coal, middlings or oil, will be installed at the Bokaro Thermal Power Station.

### C. *Transmission Lines*

- (1) **Transmission Link between Panchet Hill and Jamshedpur and Durgapur Loop**  
A 132 kv transmission link will be built between Panchet Hill and Jamshedpur and a loop between Durgapur Thermal Power Station and the 132 kv grid.
- (2) **Extension of 132 kv Transmission System for Power Supply to Eastern Railways at Howrah, Belmuri and Burdwan**  
Substations at Howrah and Burdwan will be extended and a new substation will be built at Belmuri. The installed capacities are as follows :  
Howrah  $2 \times 10$  Mva, Burdwan  $2 \times 10$  Mva, Belmuri  $2 \times 20$  Mva.
- (3) **Conversion of Single Circuit 132 kv Transmission Line**  
A second circuit will be strung on the existing transmission line running from Bokaro to Gaya-Patna-Dalmianagar.
- (4) **Extensions of the Existing Grid Substations, Receiving Station, 33 kv Lines and Miscellaneous Items**

Consequent on the increased off-take of power from the various substations as soon as additional capacity is available, the transformer capacities will be increased and additional 33 kv feeder lines to consumers' premises will be provided.

It is expected that construction of all parts of the Project will be completed by July, 1960.

### SCHEDULE 3

#### MODIFICATIONS OF LOAN REGULATIONS No. 3

For the purposes of this Agreement the provisions of Loan Regulations No. 3 of the Bank, dated June 15, 1956, shall be deemed to be modified as follows :

- (a) Section 2.02 shall be deleted.
- (b) Section 6.17 shall be amended by inserting the words "or the Third Project Agreement" after the words "the Loan Agreement."
- (c) Section 7.02 shall be amended by inserting the words "or the Third Project Agreement" after the words "the Loan Agreement."
- (d) The following new paragraph is added to Section 10.01 :  
"20. The term 'Third Project Agreement' means the Project Agreement (Third DVC Project) between the Bank and Damodar and shall include any amendments made by agreement between the Bank and Damodar."

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 3, DATED 15 JUNE 1956

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO MEMBER GOVERNMENTS

[Not published herein. See *United Nations, Treaty Series, Vol. 280, p. 302.*]

PROJECT AGREEMENT (*THIRD DVC PROJECT*)

AGREEMENT, dated July 23, 1958, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and DAMODAR VALLEY CORPORATION (hereinafter called Damodar).

WHEREAS by an Agreement of even date herewith (hereinafter called the Loan Agreement) between India (hereinafter called the Borrower) and the Bank,<sup>1</sup> the Bank has agreed to make to the Borrower a loan in various currencies equivalent to twenty-five million dollars (\$25,000,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that Damodar agree to undertake certain obligations to the Bank as hereinafter in this Agreement set forth; and

WHEREAS Damodar, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed to undertake the obligations hereinafter set forth;

NOW THEREFORE the parties hereto hereby agree as follows :

*Article I*

## DEFINITIONS

*Section 1.01.* Wherever used in this Agreement, unless the context shall otherwise require, the several terms defined in the Loan Agreement and in the Loan Regulations (as so defined) shall have the respective meanings therein set forth.

*Article II*

## PARTICULAR COVENANTS OF DAMODAR

*Section 2.01.* (a) Damodar shall carry out the Project with due diligence and efficiency and in conformity with sound engineering and financial practices.

(b) To assist it in carrying out the Project, during the period of construction of the Project Damodar shall, where necessary, employ suitably qualified and competent engineering consultants. The selection of the consultants and the nature and scope of their responsibilities shall be the subject of agreement between the Bank and Damodar.

(c) Damodar shall furnish to the Bank, promptly upon their preparation, the plans and specifications for the Project and any material modifications subsequently made therein, in such detail as the Bank shall from time to time request.

(d) Damodar shall maintain records (either as provided by the Damodar Valley Corporation Act, 1948, as amended, or, where necessary, supplementary records) adequate to identify the goods financed out of the proceeds of the Loan, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound utility accounting practices the operations and financial condition of Damodar (including the respective financial results of its power, irrigation and flood control operations), shall enable the Bank's

<sup>1</sup> See p. 4 of this volume.

representatives to inspect the Project, the goods and any relevant records and documents; and shall furnish to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan, the Project, the goods, and the operations and financial condition of Damodar.

*Section 2.02.* (a) The Bank and Damodar shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request.

(b) The Bank and Damodar shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan. Damodar shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan or the performance by Damodar of its obligations under this Agreement or the obligations to be performed by it pursuant to the provisions of the Loan Agreement, or which shall increase or threaten to increase materially the estimated cost of the Project.

*Section 2.03.* Damodar shall import or cause to be imported into the territories of the Borrower all goods purchased with the proceeds of the Loan and, except as shall be otherwise agreed by the Bank and by the Borrower, shall use them there or shall cause them to be used there exclusively in the carrying out of the Project. Damodar shall obtain title to all such goods free and clear of all incumbrances.

*Section 2.04.* Damodar shall not, without the prior consent of the Bank, sell or otherwise dispose of any goods purchased or paid for out of the proceeds of the Loan.

*Section 2.05.* (a) Damodar shall take all steps within its power to maintain its existence and right to carry on operations and shall, except as the Bank shall otherwise agree, take all steps necessary to maintain and renew all rights, powers, privileges and franchises which are necessary or useful in the conduct of its business.

(b) Damodar shall operate and maintain its plants, equipment and property, and from time to time make all necessary renewals and repairs thereof, all in accordance with sound engineering standards; and shall at all times manage its affairs, operate its plants and equipment and maintain its financial position in accordance with sound business and public utility practices.

(c) Damodar shall set and maintain its rates for the sale of electricity at such levels as may be necessary to ensure that its earnings, after provision for all operating expenses including taxes, adequate depreciation and interest, are sufficient to build up reserves which could be used to meet a reasonable proportion of the cost of expansion of the power facilities of Damodar.

### *Article III*

#### EFFECTIVE DATE; TERMINATION

*Section 3.01.* This Agreement shall come into force and effect on the Effective Date. If, pursuant to Section 9.04 of the Loan Regulations, the Bank shall terminate the Loan Agreement, the Bank shall promptly notify Damodar thereof and upon the

giving of such notice, this Agreement and all obligations of the parties hereunder shall forthwith cease and determine.

*Section 3.02.* If and when the entire principal amount of the Loan shall have been paid or caused to be paid by the Borrower (or shall have been cancelled), together with the redemption premium, if any, on the redemption of all Bonds which shall have been called for redemption and all interest and other charges which shall have accrued on the Loan and the Bonds, this Agreement and all obligations of Damodar and of the Bank hereunder shall forthwith terminate.

#### Article IV

##### MISCELLANEOUS PROVISIONS

*Section 4.01.* No holder of any Bond other than the Bank shall by virtue of being the holder thereof be entitled to exercise any of the rights conferred, or be subject to any of the conditions or obligations imposed, upon the Bank under this Agreement.

*Section 4.02.* Any notice, demand or request required or permitted to be given or made under this Agreement and any agreement between the parties contemplated by this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable or radiogram to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are :

(a) For Damodar :

Secretary, Damodar Valley Corporation  
Anderson House  
Calcutta 27  
India

Alternative address for cablegrams and radiograms :

Davallec  
Calcutta

(b) For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D. C.  
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad  
Washington, D. C.

*Section 4.03.* Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Agreement on behalf of Damodar may be taken or executed by the Chairman of Damodar or such other person or persons as Damodar shall designate in writing.

*Section 4.04.* Damodar shall furnish to the Bank sufficient evidence of the authority of the person or persons who will, on behalf of Damodar, take any action or execute any documents required or permitted to be taken or executed by Damodar pursuant to any of the provisions of this Agreement and the authenticated specimen signature of each such person.

*Section 4.05.* This Agreement may be executed in several counterparts, each of which shall be an original and all collectively but one instrument.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be signed in their respective names by their representatives thereunto duly authorized and delivered in the District of Columbia, United States of America, as of the day and year first above written.

International Bank for Reconstruction and Development :

*By* J. BURKE KNAPP  
Vice President

Damodar Valley Corporation :

*By* J. SHENOY  
Authorized Representative