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LOAN NUMBER 4870-IN

# Project Agreement

(Rampur Hydropower Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

and

STATE OF HIMACHAL PRADESH

Dated January 15, 2008

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**LOAN NUMBER 4870-IN**

**PROJECT AGREEMENT**

Agreement dated January 15, 2008, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and STATE OF HIMACHAL PRADESH (“Himachal Pradesh”) (“Project Agreement”) in connection with the Loan Agreement (“Loan Agreement”) of same date between Satluj Jal Vidyut Nigam Limited (“Borrower”) and the Bank. The Bank and Himachal Pradesh hereby agreed as follows:

**ARTICLE I – GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in Appendix I to the Loan 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 Loan Agreement or the General Conditions.

**ARTICLE II – PROJECT**

- 2.01. Himachal Pradesh declares its commitment to the objectives of the Project. To this end, Himachal Pradesh shall ensure that the Project is carried out in accordance with the provisions of the Loan Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for implementing the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement and except as the Bank shall otherwise agree, Himachal Pradesh shall:
  - (a) throughout the period of Project implementation, provide full support, cooperation and assistance as may be necessary or required to enable the Borrower to perform its obligations under the Loan Agreement;
  - (b) take all actions, including provision of consents and approvals as may be necessary or required to enable the Borrower to perform its obligations under the Loan Agreement. Himachal Pradesh shall not take or permit to be taken any action which would prevent or interfere with such performance;
  - (c) take all actions, as a shareholder of the Borrower and as a party to the Execution Agreement, to enable and to cause the Borrower to perform its obligations under the Loan Agreement, to protect the interests of the Borrower and the Bank, and to accomplish the purposes of the Loan;

- (d) carry out its respective responsibilities under the Environmental Management Plan and the Resettlement Action Plan, all in a manner satisfactory to the Bank; and
  - (e) implement the Catchment Area Treatment Plan and Compensatory Afforestation Plan in a manner satisfactory to the Bank, and shall not amend, waive or abrogate any provision of any such plan without the prior approval of the Bank.
- 2.03. Himachal Pradesh shall fulfill all its obligations under the Execution Agreement with due diligence and efficiency and in a manner satisfactory to the Bank, provided however the implementation of Annexure 1 to the Execution Agreement relating to resettlement and rehabilitation activities shall be as supplemented by the provisions contained in the Resettlement Action Plan.
- 2.04. Himachal Pradesh shall, at the request of the Bank:
- (a) exchange views with the Bank with regard to the accomplishment of the purposes of the Loan, or the performance of its obligations under the Project Agreement;
  - (b) furnish all such information related thereto as may reasonably be required by the Bank; and
  - (c) participate in reviews of the Project implementation by the Bank.

**ARTICLE III – REPRESENTATIVE; ADDRESSES**

- 3.01. Himachal Pradesh's Representative is its Chief Secretary or any person duly authorized for this purpose.
- 3.02. The Bank's Address is:

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

3.03. Himachal Pradesh's Address is:

Himachal Pradesh Secretariat  
Shimla - 171002  
Himachal Pradesh, India

AGREED at New Delhi, India, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ Isabel M. Guerrero  
Country Director, India

STATE OF HIMACHAL PRADESH

By /s/ Rashima Gupta  
Authorized Representative