

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:744  
ANSWERED ON:27.07.2000  
LOANS FOR THE NATHPA JHAKRI POWER PROJECT  
TRILOCHAN KANUNGO

**Will the Minister of POWER be pleased to state:**

- (a) the details of the external agencies granting loans for the Nathpa Jhakri Power Project along with the terms and conditions of each of the creditors;
- (b) the quantum of external loans have so far been availed of from each of the external financing institution;
- (c) whether the equity shares of each of the State Governments have been made available as per the schedule;
- (d) if so, the amount released so far from each of the State Governments and the dates of release of each instalment;
- (e) the number of times the project cost has been revised upward;
- (f) the reasons for escalations;
- (g) what was the initial time for commissioning of the project; and
- (h) the time which it is likely to be commissioned?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRIMATI JAYAWANTI MEHTA )

(a) & (b): The details regarding external agencies granting loan to Nathpa Jhakri Power Corporation (NJPC) for execution of Nathpa Jhakri HE Project (6x250 = 1500 MW) together with a loan amount availed of so far, terms and conditions of loan etc. are given in Annexure-I.

(c) & (d): Nathpa Jhakri Power Corporation is a Joint Venture of the Government of India and Government of Himachal Pradesh both sharing equity capital in the ratio of 3:1. The Government of India has so far released a sum of Rs. 1988.26 crores against which the Government of Himachal Pradesh has released a sum of Rs. 522.90 crores resulting in the shortfall of Rs. 139.85 crores. A statement showing the year-wise release of equity by the Government of India and the Government of Himachal Pradesh and cumulative shortfall of Himachal Government is given in Annexure-II.

(e) & (f): The cost of the project was first revised to Rs. 4337.95 crore in June, 1993 which was further revised to Rs. 7666.31 crores in May, 1999. The main reasons for the cost overrun is attributable to price escalation, exchange rate variation, quantity variations, unforeseen/additional works due to geological surprises etc.

(g) & (h): The project was originally scheduled for commissioning in 1996-97. As per the latest approval accorded, the project is scheduled to be completed by March, 2002.

ANNEXURE-I

ANNEXURE-I REFERRED TO IN REPLY TO PARTS (a) & (b) OF THE UN-STARRED QUESTION NO.744 TO BE ANSWERED IN LOK SABHA ON 27.07.2000 REGARDING LOANS FOR NATHPA JHAKRI POWER PROJECT

SALIENT TERMS AND CONDITIONS OF LOAN FROM THE EXTERNAL AGENCIES FOR NATHPA JHAKRI HE PROJECT

S1.  
No Lenders` Name Currency Amount/  
Loan Currency Loan Availed as on 24.07.2000 Grace Period

(in years) Repayment period in years Rate of Interest  
% per annum

A. WORLD BANK LOAN THROUGH GOVERNMENT OF INDIA

1. IBRD USD 437,000,000 375,150,000.00 5 15 14.5% to 17%

B. EXTERNAL COMMERCIAL BORROWINGS:

1. Eksportfinans Norway NOK USD 263,231,445 6,324,289 195,246,688.53 3,770,639,58 5.5 5.5 12 12 5.95% 5.95%

2. KfW, Germany (Export Loan) DM 132,068,296 91,022,942.93 5 12 6.635%

3. KfW, Germany (Finance Loan) DM 18,894,405 15,992,882.17 5.5 5 Effective funding cost of KfW + margin 1.25% p.a.

4. UBS (Formerly SBC) Export Loan Switzerland CHF 54,643,202 40,797,728.80 5.5 10 3 / 4 % p.a. above the Wtd. Avg. SEBR untill 14th instl. thereafter readjusted with a margin of 0.75% p.a. above the 2 year SEBR.

5. UBS (formerly SBC) - Finance Loan Switzerland CHF 9,642,918 8,122,721.25 3.5 1.5 6 months LIBOR + margin 2% to 3.5% p.a.

6. NIB, Finland NOK 110,000,000 in equivalent USD 71,338,348.00 equ. USD, 10,532,413,43 5.5 14 6 months LIBOR + margin of 0.65% p.a.

7. BNP, France (Export Loan) FRF 284,089,129 141,730,616.48 4.5 10 6.60%

8. BNP France (Finance Loan) FRF 64,352,935 36,913,082.00 3.5 3 1.1% over PIBOR

9. Barclays Bank PLC, UK Export Loan GBP 22,850,214 1,428,562.97 3 10 6.6% Tranche A and 7.88% Tranche B (IDC)

10. Barclays Bank PLC, UK Finance Loan USD 5,566,500 4,604,936.28 3.5 5 0.9% p.a. over 3 or 6 months LIBOR

ANNEXURE-II

ANNEXURE-II REFERRED TO IN REPLY TO PARTS (c) & (d) OF THE UNSTARRED QUESTION NO.744 TO BE ANSWERED ON 27.07.2000 IN THE LOK SABHA REGARDING LOANS FOR NATHPA JHAKRI POWER PROJECT

A STATEMENT SHOWING THE YEAR-WISE RELEASE OF EQUITY BY THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF HIMACHAL PRADESH AND CUMULATIVE SHORTFALL OF HIMACHAL PRADESH GOVERNMENT

(RS. IN CRORES)

YEAR	EQUITY	CAPITAL RELEASED BY	CUMULATIVE CAPITAL	CONTRIBUTION RELEASED BY	SHORTFALL
	GOI	GOHP	GOI	GOHP	For the Year
					Cumulative
1988-1989	51.00	-	51.00	-	17.00
1989-1990	100.21	-	151.21	-	33.40
1990-1991	20.00	10.00	171.21	10.00	- 47.07
1991-1992	-	5.00	+ 14.69	171.21	29.69 - 27.38
1992-1993	10.00	1.38	181.21	31.07	1.95 29.33
1993-1994	100.00	37.50	281.21	68.57	- 25.17
1994-1995	137.05	18.92	418.26	87.49	26.76 51.93
1995-1996	200.00	52.91	618.26	140.40	13.76 65.69
1996-1997	237.00	66.00	855.26	206.40	13.00 78.69
1997-1998	320.00	115.50	1,175.26	321.90	- 69.85
1998-1999	401.00	50.82	1,576.26	372.72	82.85 152.70
1999-2000	412.00	114.18	1,988.26	486.90	23.15 175.85
2000-2001					

(as on 24.07.2000) - 36.00 1,988.26 522.90 - 139.85

TOTAL 1,988.26 522.90

+ Value of assets taken over by Nathpa Jhakri Power Corporation from Himachal Pradesh State Electricity Board