

CABINET APPROVES AMENDMENT TO THE ARTICLE 3 OF THE AGREEMENT BETWEEN INDIA AND BHUTAN REGARDING MHEP IN ORDER TO EXTEND THE LOAN REPAYMENT TENURE BY TWO YEARS

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Cabinet

Cabinet approves Amendment to the Article 3 of the Agreement between India and Bhutan regarding MHEP in order to extend the loan repayment tenure by two years

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The Union Cabinet chaired by Prime Minister Narendra Modi has approved Amendment to the Article 3 of the Agreement between India and Bhutan regarding Mandechhu Hydro Electric Project (MHEP) in order to extend the loan repayment tenure by two years extended by India to Bhutan, for implementation of the said Project in Bhutan from fifteen (15) to seventeen (17) years.

Benefits:

The proposal aims to secure:

- i. The First Year Tariff for import of power from the 720 MW MHEP in Bhutan at Indian Rupees 4.12 per unit.
- ii. Certainty of supply of surplus power to India by Bhutan from MHEP.
- iii. Strengthening India-Bhutan economic relations and inter-linkages especially in the field of hydro-power co-operation and overall deepening of India-Bhutan relations.

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