

No. 9229

**DENMARK
and
INDIA**

**The Second Agreement on a Danish Government Food Loan
to India. Signed at Copenhagen, on 25 March 1968**

Official text: English.

Registered by Denmark on 9 September 1968.

**DANEMARK
et
INDE**

**Deuxième Accord relatif à un prêt alimentaire du Gouverne-
ment danois à l'Inde. Signé à Copenhague, le 25 mars 1968**

Texte officiel anglais.

Enregistré par le Danemark le 9 septembre 1968.

No. 9229. THE SECOND AGREEMENT¹ BETWEEN THE GOVERNMENT OF DENMARK AND THE GOVERNMENT OF INDIA ON A DANISH GOVERNMENT FOOD LOAN TO INDIA. SIGNED AT COPENHAGEN, ON 29 APRIL 1968

The Government of Denmark and the Government of India, desiring to strengthen the traditional co-operation and cordial relations between their countries, have agreed that a Danish Government Food Loan will be extended to India in accordance with the following provisions :

Article I

THE LOAN

The Government of Denmark (hereinafter called the Lender) agrees to make available to the Government of India (hereinafter called the Borrower) a Food Loan in an amount of thirty million Danish Kroner for the procurement of foodstuffs as described in Article VI of this Agreement.

Article II

LOAN ACCOUNT

Section 1. An account designated "Government of India Special Food Account No. 2" (hereinafter called "Special Food Account No. 2") will be opened with Danmarks Nationalbank (acting as agent for the Lender) in favour of the Borrower or the Chief Accounting Officer to the High Commissioner for India in the United Kingdom, London (acting as agent for the Borrower). The Lender will ensure that sufficient funds are always available in the Special Food Account No. 2 to enable the Borrower to effect punctual payment for the goods procured under this Loan, provided that the amounts successively made available to the Borrower shall not, in the aggregate, exceed the loan amount specified in Article I.

Section 2. The Borrower or the Chief Accounting Officer to the High Commissioner for India in the United Kingdom, London (acting as agent for the Borrower) shall be entitled, subject to the provisions of this Agreement, to withdraw from the Special Food Account No. 2 amounts needed for the payment of goods procured under the Loan Agreement.

¹ Came into force on 25 March 1968 by signature, in accordance with article XIV (1).

Article III

RATE OF INTEREST

The Loan will be free of interest.

Article IV

REPAYMENT

Section 1. The Borrower will repay to the Lender the Principal of the Loan withdrawn from the Special Food Account No. 2 in thirty-five semi-annual instalments of 830,000 Danish Kroner each, commencing on 30th September, 1975, and one final instalment of 950,000 Danish Kroner payable on 31st March, 1993.

Section 2. The Borrower has the right to repay in advance of maturity all or any part of the principal amount of one or more maturities of the Loan specified by the Borrower.

Article V

PLACE OF PAYMENT

The Borrower will repay the Loan in convertible Danish Kroner to Danmarks Nationalbank to the credit of the current account of the Ministry of Finance with Danmarks Nationalbank.

Article VI

THE USE OF THE LOAN BY INDIA

Section 1. The Borrower will use the proceeds of the Loan to finance imports (including transport charges from Denmark to India) of Danish milk powder or such other foodstuffs and agricultural necessities, of Danish origin, as may be decided by mutual consent. The total disbursement shall not exceed the amount of Danish Kroner thirty million referred to in Article I.

Section 2. The terms of payment stipulated in contracts or documentation to the effect that an order has been placed with a Danish exporter for supplies of the nature described above shall be considered as normal and proper whenever such contracts or other documentation contain no clauses involving special credit facilities from Danish exporters.

Section 3. The Borrower may draw on the account with Danmarks Nationalbank referred to in Article II for two years after the entry into force of