



The World Bank

Vishnugad Pipalkoti Hydro Electric Project (P096124)

REPORT NO.: RES56314

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RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
VISHNUGAD PIPALKOTI HYDRO ELECTRIC PROJECT
APPROVED ON JUNE 30, 2011
TO
INDIA

ENERGY & EXTRACTIVES

SOUTH ASIA

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**I. BASIC DATA****Product Information**

Project ID P096124	Financing Instrument Investment Project Financing
Original EA Category Full Assessment (A)	Current EA Category Full Assessment (A)
Approval Date 30-Jun-2011	Current Closing Date 30-Jun-2023

Organizations

Borrower India	Responsible Agency THDC (Tehri Hydro Development Corporation)
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Project Development Objective (PDO)

Original PDO

The Project Development Objectives are: (a) to increase the supply of electricity to India's national grid through the addition of renewable, low-carbon energy; and (b) strengthen the institutional capacity of THDC with respect to the preparation and implementation of economically, environmentally and socially sustainable hydropower projects.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IBRD-80780	30-Jun-2011	10-Aug-2011	07-Nov-2011	30-Jun-2023	448.00	218.85	229.15
TF-58016	24-Apr-2007	24-Apr-2007	24-Apr-2007	31-Mar-2010	.99	.99	0



Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

The Vishnugad Pipalkoti Hydro-Electric Project was approved on June 30, 2011, and expected to close on December 31, 2017. When finalized, the Project’s capacity of 444 MW will produce 1,665 GWh/year of clean energy, resulting in a reduction of greenhouse gas emissions by 1.6 million tonnes/year. However, as Project implementation suffered significant delays, the Project has been subject to multiple restructurings, including Project extensions. The current closing date is June 30, 2023.

Project implementation has been subject to significant delays due to factors beyond the Borrower’s control. THDC has had to suspend works on multiple occasions, leading to cumulative delays of more than six years. During a special review meeting of the Project on May 18, 2023, the Department of Economic Affairs (DEA), Ministry of Finance, acknowledged that, due to these cumulative delays, Project construction was not likely to be completed on time, and therefore formally requested the Bank to extend the Project until December 2024.

During the last implementation support mission conducted in April 2023, it was confirmed that the Project had recently made significant progress. Consequently, disbursements have been exceeding US\$ 66 million over the past 18 months (Q3 FY22 to Q4 FY23)—more than eleven times the amount of US\$ 5.8 million disbursed over the previous 18 months (Q1 FY21 to Q2 FY22). In addition, THDC has consistently met the milestones agreed upon in June 2021 against which the Project’s performance is monitored.

The Project is currently employing 2,418 persons, and it remains a significant source of local economic activity by directly and indirectly employing 625 community members from Project-affected families. The Project also supports significant economic activity in the district of Chamoli through THDC’s Corporate and Social Responsibility Program.

The team recommends extending the Project for 18 months until December 31, 2024. In addition, the team and the Country Management Unit will put in place the additional supervision safeguards, missions, and review meetings, to ensure the timely completion of all critical milestones agreed with THDC.

III. DETAILED CHANGES

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-80780	Effective	31-Dec-2017	30-Jun-2019, 31-Dec-2019, 31-Jan-2020, 31-Dec-2020, 30-Jun-	31-Dec-2024	30-Apr-2025



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			2021, 30-Jun-2022, 30-Jun-2023
TF-58016	Closed	17-Mar-2009	30-Sep-2009, 31-Mar- 2010, 28-Oct-2010
