



## First Programmatic Electricity Distribution Reform Development Policy Loan for Rajasthan (P157224)

SOUTH ASIA | India | Energy & Extractives Global Practice |  
IBRD/IDA | Development Policy Lending | FY 2016 | Seq No: 1 | ARCHIVED on 25-May-2016 | ISR23197 |

Implementing Agencies: Department of Energy, Government of Rajasthan

### Key Dates

#### Key Project Dates

Bank Approval Date:25-Mar-2016

Effectiveness Date:--

Planned Mid Term Review Date:26-Sep-2016

Actual Mid-Term Review Date:--

Original Closing Date:31-Mar-2017

Revised Closing Date:31-Mar-2017

### Program Development Objectives

Program Development Objective (from Program Document)

The proposed programmatic operation would support the Government of Rajasthan (GoR)'s program for the turnaround of the distribution sector in Rajasthan under the 24x7 Power for All program. This first operation lays the foundations for legislative changes and institutional reforms to improve the sector's governance, supports the financial restructuring of the sector, and backs actions necessary to improve operational performance. The main areas of the GoR program that are supported by the proposed operation are: (a) Strengthening Governance in the Rajasthan Electricity Distribution Sector; (b) Financial Restructuring and Recovery; and (c) Improving Operational Performance of Distribution Utilities.

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	--	● Satisfactory
Overall Implementation Progress (IP)	--	● Satisfactory
Overall Risk Rating	--	● Substantial

### Implementation Status and Key Decisions

The project was approved on March 25, 2016 and the legal agreements for the loan were signed on March 31, 2016



## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	--	● Substantial
Macroeconomic	--	--	● Moderate
Sector Strategies and Policies	--	--	● Substantial
Technical Design of Project or Program	--	--	● Substantial
Institutional Capacity for Implementation and Sustainability	--	--	● Substantial
Fiduciary	--	--	● Low
Environment and Social	--	--	● Moderate
Stakeholders	--	--	● Substantial
Other	--	--	● Substantial
Overall	--	--	● Substantial

## Results

### Results Indicators

- Appointment of Independent Directors in accordance with the clause No. 8 of the Ordinance/ Act in each DISCOM (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	One	--	One	As per provisions of the Companies Act (Central Act No.18 of 2013)
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017



► Implementation of Employee Performance Incentive (EPI) scheme - Incentive for performance disbursed (Yes/No, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	N	--	N	Y
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017

► Date of availability of audited annual accounts (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	With a three month delay	--	With a three month delay	Within six months of end of FY i.e. no delay
Date	31-Dec-2015	--	31-Dec-2015	30-Sep-2016

► Percentage of outstanding debt (as on September 30, 2015) of DISCOMs taken over by GoR (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	50.00	75.00
Date	30-Sep-2015	--	31-Mar-2016	31-Mar-2017

► Monthly Distribution Energy Audit reports generated and disclosed (expressed as % of total feeders) (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	25.00	90.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017



► Gap between Average Revenue Realised (ARR) and Average Cost of Supply (ACS) (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	INR 3.00/kWh	--	INR 3.00/kWh	INR 0.70/kWh
Date	31-Mar-2015	--	31-Mar-2015	31-Mar-2017

► Power Purchases for DISCOMs managed by Rajasthan Energy Development Corporation Ltd. (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	90.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017

► Aggregate Technical and Commercial (AT&C) losses (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	29.50	--	29.50	23.00
Date	31-Mar-2015	--	31-Mar-2015	31-Mar-2017

Comments

The baseline for FY15 is provisional and the target is a reduction of 6.5 percentage points over the baseline by FY17

► Number of consumers put on pre-paid/ AMI/ AMR meters (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	24000.00	100000.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017



► Number of LED lamps distributed (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	10000000.00	15000000.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017

► Number of IT staff appointed in DISCOMs (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	--	0.00	30.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017

► Number of consumers put on unified billing system (Percentage, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	50.00	--	60.00	100.00
Date	31-Mar-2015	--	31-Mar-2016	31-Mar-2017

► Number of villages remaining to be electrified (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	495.00	--	495.00	25.00
Date	01-Apr-2015	--	01-Apr-2015	31-Mar-2017

Overall Comments

## Data on Financial Performance

### Disbursements (by loan)



Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	Disbursed
P157224	IBRD-86050	Not Effective	USD	250.00	250.00	0.00	0.00	250.00	0%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P157224	IBRD-86050	Not Effective	25-Mar-2016	31-Mar-2016	--	31-Mar-2017	31-Mar-2017

### Tranches

### Restructuring History

There has been no restructuring to date.

### Related Operations

P159669-Second Programmatic Electricity Distribution Reform DPL for Rajasthan