Program Agreement

(Second Programmatic Electricity Distribution Reform Development Policy Loan for Rajasthan)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

STATE OF RAJASTHAN
PROGRAM AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and STATE OF RAJASTHAN (variously “Rajasthan” or the “Program Implementing Entity”) ("Program Agreement") in connection with the Loan Agreement ("Loan Agreement") of the Signature Date between INDIA ("Borrower") and the Bank, concerning Loan No. 8869. The Bank and the Program Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Loan Agreement or the General Conditions.

ARTICLE II — PROGRAM

2.01. The Program Implementing Entity declares its commitment to the Program and its implementation. To this end, and further to Section 5.05 of the General Conditions:

(a) the Borrower, the Bank and the Program Implementing Entity shall, from time to time, at the request of either party to this Agreement or the Loan Agreement, exchange views on the Program Implementing Entity’s macroeconomic policy framework and the progress achieved in carrying out the Program;

(b) prior to each such exchange of views, the Program Implementing Entity shall furnish to the Borrower and the Bank for their review and comment a report on the progress achieved in carrying out the Program, in such detail as the Bank shall reasonably request; and

(c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Program Implementing Entity shall promptly inform the Borrower and the Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in the Schedule to this Agreement.
ARTICLE III — TERMINATION

3.01. For purposes of Section 9.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is the date of termination of the Loan Agreement.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Program Implementing Entity’s Representative is the Secretary of the Energy Department, Government of Rajasthan, or any other person or persons as he/she shall designate in writing.

4.02. For purposes of Section 10.01 of the General Conditions:

(a) the Bank’s address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank’s Electronic Address is:

Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391

4.03. For purposes of Section 10.01 of the General Conditions:

(a) the Program Implementing Entity’s address is:

Energy Department
Government of Rajasthan
Government Secretariat
Jaipur 302 005
Rajasthan; and

(a) the Program Implementing Entity’s Electronic Address is:

Facsimile: +91 (141) 2227699
E-mail: secretaryenergy@gmail.com
AGREED as of the later of the two dates written below.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: HISHAM ABD
Title: ACTING COUNTRY DIRECTOR, INDIA
Date: AUGUST 28, 2018

STATE OF RAJASTHAN

By

Authorized Representative

Name: P. RAMESH
Title: SPECIAL SECRETARY, ENERGY DEPARTMENT
Date: AUGUST 28, 2018
SCHEDULE

The actions taken by the Program Implementing Entity under the Program include the following:

1. Rajasthan has entered into Memoranda of Understanding with each of the DISCOMs setting out targets for key performance indicators regarding: (a) AT&C losses; (b) energy accounting and auditing; (c) billing and collection efficiency; and (d) filing of revenue and/or tariff petitions for FY17-18.

2. The DISCOMs have approved Transfer Policies and Performance Management Policies, for their employees.

3. The DISCOMS have started the implementation of their Corporate Governance and Financial Accountability Plans, duly adopted by their Boards of Directors, by publishing their audited financial statements for FY16-17.

4. The DISCOMs have filed with RERC their annual revenue requirements and tariff petitions for FY17-18.

5. Rajasthan Urja Vikas Nigam Ltd. ("RUVNL") is operational, and power purchases (including renewable energy purchases) for DISCOMs are made through RUVNL.

6. The DISCOMs have published completed periodic energy audits of ninety percent (90%) of their respective feeders at their websites and initiated, since December 2016, a Loss-Based Load Scheduling Program.

7. The DISCOMs have implemented a unified billing system including billing large and medium industrial consumers based on an automated meter reading system.

8. The DISCOMs have:

(a) started implementation of their approved IT Roadmaps by preparing detailed project reports for ERP deployment; and

(b) created an IT cadre and started mapping IT professionals accordingly.