

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.1639
TO BE ANSWERED ON 11.02.2021**

MANGDECHHU HYDROELECTRIC PROJECT

**1639. DR. SUBHASH RAMRAO BHAMRE:
SHRIMATI SUPRIYA SULE:
DR. AMOL RAMSING KOLHE:
SHRI SUNIL DATTATRAY TATKARE:
DR. DNV SENTHILKUMAR S.:
SHRI KULDEEP RAI SHARMA:**

**Will the Minister of POWER
be pleased to state:**

- (a) whether bilateral Inter-Governmental Agreement for implementation of the 720 MW Mangdechhu Hydroelectric Project in Bhutan which was under construction has started power production and if so, the details thereof and if not, the reasons therefor;**
- (b) whether India and Bhutan signed the first Indo-Bhutan joint venture hydroelectric project and if so, the details of the project along with the main objectives thereof;**
- (c) the details of ratio of funds to be provided by India and Bhutan for the said project;**
- (d) whether surplus electricity generated through the project is likely to be supplied to India and if so, the details thereof; and**
- (e) the time by which the work on the said project will be started and completed?**

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW & RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL DEVELOPMENT & ENTREPRENEURSHIP

(SHRI R.K. SINGH)

(a) : Yes Sir, the 720 MW Mangdechhu Hydroelectric Project in Bhutan has been commissioned during the year 2019-20 and has started power production. The generation from the project is as under:-

**Unit-I (180 MW) – 1414.02 MU
Unit-2 (180 MW) – 1190.18 MU
Unit-3 (180 MW) – 693.06 MU
Unit-4 (180 MW) – 1327.56 MU**

Cumulative generation till 2nd February, 2021 is 4624.82 MU.

(b) : **An Inter-Governmental agreement was signed between the Royal Govt. of Bhutan (RGoB) and Govt. of India (GoI) on 22.04.2014 for development of following four Joint Venture (JV) Hydro Power Projects through the Public Sector Undertakings of the two Governments:**

JV Partners	Name of the project
SJVN Ltd (CPSU of GoI) and DGPC (a PSU of RGoB)	Kholongchhu & Wangchhu Hydroelectric Projects
NHPC Ltd (CPSU of GoI) and DGPC (a PSU of RGoB)	Chamkharchhu-I Hydroelectric Project
THDC (I) Ltd (CPSU of GoI) and DGPC (a PSU of RGoB)	Bunakha Reservoir Hydroelectric Project

Of the above, the Concessionaire Agreement for 600 MW Kholongchhu Hydro Electric Project in Bhutan, for implementation in Joint Venture (JV) mode, was signed on 29.06.2020 between the Royal Govt. of Bhutan (RGoB) and Kholongchhu Hydro Electric Limited (a Joint Venture between SJVN Ltd., a CPSU under Ministry of Power and DGPC (Druk Green Power Corporation), a PSU of RGoB).

The 600 MW Kholongchhu Hydro Electric Project is a run-of-river project located on the Kholongchhu River in Trashiyangtse District in North-Eastern Bhutan. The project will generate 2568.52 Million Units (MU) in a 90% dependable year.

(c) : **SJVN and DGPC own equal shareholdings (50:50) in the Joint Venture Company (JVC). The project shall be financed under a debt-equity ratio of 70:30. Government of India shall provide DGPC's share of equity i.e. 15% in the Joint Venture Company as grant and balance 15% equity share shall be contributed by SJVN Ltd.**

(d) : **Yes Sir, the surplus electricity generated through the project shall be supplied to India by the Joint Venture Company. As per the Inter-Governmental agreement signed between the Royal Govt. of Bhutan (RGoB) and Govt. of India (GoI) on 22.04.2014 regarding development of Joint Venture Hydro Power Projects, 12% of the saleable energy from the project (generated energy net of power plant auxiliary consumption) is to be given to RGoB as Royalty Energy during the first 12 years of the Commercial Operation of the project and 18% of the power thereafter till the end of the concession period.**

Of the remaining energy, 70% of the saleable energy net of royalty energy is to be sold under long term Power Purchase Agreement route and the balance through market mechanism. However, the RGoB would have the first right of refusal on the saleable energy and the energy over and above required for use of Bhutan would be sold to the beneficiaries in India by the JV company.

(e) : **The Kholongchhu H.E. project is scheduled for commissioning in a period of 59 months from the award of works. The pre-construction activities of the project have been completed.**