

January 4, 2024

Mr. Atul Kumar Tiwari  
Secretary  
Ministry of Skill Development and Entrepreneurship (MSDE)  
Government of India  
Room No. 516, Shram Shakti Bhawan  
Rafi Marg  
New Delhi – 110001

Dear Mr. Tiwari:

***India: Skills Strengthening for Industrial Value Enhancement (STRIVE) Operation***  
***[IDA Credit no. 5965-IN]***  
***Implementation Support Mission (October 3-13, 2023)***

Thank you for supporting the mission mentioned above. I am pleased to note that the project is making progress toward achieving the Project Development Objective and most of the intermediate results indicators by the closing date of May 31, 2024. Per the MSDE undertaking to the Department of Economic Affairs dated September 28, 2022, there will be no further extension of the project closing date.

Implementation progress, however, is slowing down. With only five months until project closing, it has become evident that the absorptive capacity is constrained by: (a) spending authorization limits under the Single Nodal Agency guidelines, and (b) capacity challenges—personnel and procurement of inputs. Project disbursement stands at 74 percent and IDA credit proceeds and US\$26.71 million remain undisbursed.

To expedite the implementation and facilitate the successful closing of the project, I seek your support and guidance to the National Project Implementing Unit (NPIU) for the following critical actions:

- By January 25, 2024 - the NPIU to undertake an in-depth review of the expenditures during the remaining five-months and estimate the possible savings.
- By January 25, 2024 - the NPIU to address the environment management and social constraints and address the overdue Program Action Plan activities.
- By February 29, 2024 - the NPIU to inform the Bank of the amount of IDA credit that cannot be absorbed by the project closing date of May 31, 2024. This will help the MSDE and the Bank to take action on cancelling a part of the credit; the mission in October 2023 estimated that US\$19 – 25 million could be the possible savings.

The Bank values the partnership with you. Should you have any questions or concerns, please contact Ms. Shobhana Sosale ([ssosale@worldbank.org](mailto:ssosale@worldbank.org)) or Mr. Pradyumna Bhattacharjee ([pbhattacharjee@worldbank.org](mailto:pbhattacharjee@worldbank.org)).

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Junko Onishi', with a stylized, flowing script.

Junko Onishi  
Acting Country Director, India

Copy to:

Mr. Parameswaran Iyer, Executive Director, World Bank

Mr. Rajeev Topno, Senior Advisor to Executive Director, World Bank

**Government of India**

Mr. K. Manicka Raj, Joint Secretary, Department of Economic Affairs, Ministry of Finance

Mr Punit Kumar, Joint Director, Department of Economic Affairs, Ministry of Finance

Mr Rajesh Kumar, Deputy Secretary, Department of Economic Affairs, Ministry of Finance

Ms. Trishatjit Sethi, Director General (Training), Directorate General of Training, Ministry of Skills Development and Entrepreneurship

Mr. Hemant Ganjare, Director (Project), Ministry of Skill Development & Entrepreneurship

*Cleared with and bcc: Keiko Inoue, Practice Manager (HSAED)*

bcc: India CMU General; Inoue, Sosale, Bhattacharjee (HSAED); STRIVE Project Team

*Sharepoint (P156867)*