

F. No. 44/44/2014-RE
Ministry of Power
Govt. of India

Shram Shakti Bhawan, Rafi Marg,
New Delhi dated 3rd December, 2014

OFFICE MEMORANDUM

Subject: "Deendayal Upadhyaya Gram Jyoti Yojana" (DDUGJY)

Sanction of the President is conveyed for launch/implementation of "Deendayal Upadhyaya Gram Jyoti Yojana" (DDUGJY) with the following components :

- (i) Separation of agriculture and non-agriculture feeders facilitating judicious rostering of supply to agricultural & non- agricultural consumers in the rural areas; and
- (ii) Strengthening and augmentation of sub-transmission & distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers
- (iii) Rural electrification, as per CCEA approval dated 01.08.2013 for completion of the targets laid down under RGGVY for 12th and 13th Plans by carrying forward the approved outlay for RGGVY to DDUGJY.

2. The components at (i) and (ii) of the above scheme will have an estimated outlay of Rs. 43033 crore including a budgetary support of Rs. 33453 crore from Government of India during the entire implementation period. Details are given in **Annexure-I**.

3. The scheme of RGGVY as approved by CCEA for continuation in 12th and 13th Plans will get subsumed in this scheme as a separate rural electrification component [component (iii) above] for which CCEA has already approved the scheme cost of Rs. 39275 crore including a budgetary support of Rs. 35447 crore. This outlay will be carried forward to the new scheme of DDUGJY in addition to the outlay indicated in para 2 above.

4. Scope of works

The scheme will cover works relating to feeder separation, strengthening of sub-transmission & distribution systems including metering of distribution transformers/feeders/consumers and rural electrification. The details are given at **Annexure-II**.

5. Eligible Utilities

All Discoms including private sector Discoms and State Power Departments will be eligible for financial assistance under the scheme. In case of private sector Discoms where the distribution of power supply in rural areas is with them, projects under the scheme will be implemented through a State Government Agency and the assets to be created under the scheme will be owned by the State Government / State owned companies. These assets will be handed over to the concerned Discom for their use during the license period on mutually agreed terms & conditions. The responsibility of operation and maintenance of these assets would be of the concerned Discom.

6. Formulation of DPR and Project Appraisal Mechanism

The Discoms will prioritize strengthening of rural infrastructural works considering specific network requirement and will formulate bankable Detailed Project Reports (DPRs) of the projects for coverage under the scheme. The DPRs will be recommended by existing State Level Standing Committee (SLSC) constituted for RGGVY programme under the chairmanship of Chief Secretary (scope of Committee shall be extended to cover Deendayal Upadhyaya Gram Jyoti Yojana) before submission to the Nodal Agency. The SLSC will ensure that there is no duplication of works while recommending the projects to the Nodal Agency. **Rural Electrification Corporation Limited (REC) shall be the Nodal Agency for operationalization of the scheme.** The Nodal Agency will be paid 0.5% of the total project cost as their fee. The projects shall be appraised and duly recommended by the Nodal Agency for approval of the Monitoring Committee chaired by Secretary (Power), Ministry of Power, Govt of India.

7. Monitoring Committee

The projects will be placed for approval by the Monitoring Committee under the chairmanship of Secretary (Power). The Committee will consist of representatives from Ministry of Power, Ministry of Finance, Ministry of Rural Development, Ministry of Agriculture, Ministry of New & Renewable Energy, Central Electricity Authority (CEA) and Planning Commission. Chairman & Managing Director, REC will be the Member Secretary & Convener of the Committee. The Committee will be empowered to approve operational guidelines to be prepared by the Nodal Agency for implementation of the scheme and amend these guidelines (including the scope of work in **Annexure-II**) from time to time within the overall approval granted by CCEA. The Committee will also monitor implementation of the scheme.

8. Tripartite/ Bipartite agreement

Suitable Tripartite agreement will be executed between REC as the Nodal Agency on behalf of Ministry of Power, the State Government and the Discom to ensure implementation of the scheme in accordance with the

guidelines prescribed under the scheme. Bipartite agreement will be executed in case of State Power departments.

9. Project Management Agency (PMA)

An appropriate Project Management Agency (PMA) will be appointed by the utility for monitoring and ensuring timely implementation of the project. 100% grant will be provided by GoI towards expenditure incurred on Project Management Agency (PMA) as per provision in the scheme (0.5% of cost of works).

10. Execution Period

Projects under the scheme will be completed within a period of 24 months from the date of issue of Letter of Award (LoA) by the utility. In case the Discoms / Power Departments are not able to complete the projects within stipulated time period due to circumstances beyond their control, the Monitoring Committee will be authorized to grant time extension based on merits in exceptional cases on a case to case basis.

11. Supporting/ Enabling activities of Ministry of Power

A provision of 0.5% of the total project cost has been kept for the supporting/ enabling activities of Ministry of Power relating to implementation of the scheme, such as capacity building, creating awareness, monitoring, field inspections, evaluation studies, training etc.

12. Funding Mechanism

The funding mechanism will be as under:

Agency	Nature of support	Quantum of support (Percentage of project cost)	
		Other than Special Category States	Special Category States #
Govt of India	Grant	60	85
Discom Contribution*	Own Fund	10	5
Lender (FIs/ Banks)	Loan	30	10
Additional Grant from GOI on achievement of prescribed milestones	Grant	50% of total loan component (30%) i.e. 15%	50% of total loan component (10%) i.e. 5%
Maximum Grant by GOI (including additional grant on achievement of prescribed milestones)	Grant	75%	90%

Special Category States (All North Eastern States including Sikkim, J&K, Himachal Pradesh, Uttarakhand)

* Minimum contribution by Discom(s) is 10% (5% in case of Special Category States). However, Discom(s) contribution can go up to 40% (15% in case of Special Category States), if they do not intend to avail loan. In case, the Discom(s) do not avail loan, the maximum eligible additional

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grant would be 15% (5% in case of Special Category States) on achievement of prescribed milestones. The loan component would be provided by REC or by other FIs/Banks.

Note: 100% grant shall be provided by GoI towards expenditure incurred on activities for bridging the missing links of National Optical Fibre Network (NOFN), Creation of Rural Electrification Data Hub at Rural Electrification Corporation & Project Management Agency (PMA) as per provision in the scheme.

13. Release of funds by GoI:

The grant support from GoI is proposed to be extended as per following milestones:

Tranche no.	Conditions for release of grant support by GoI	Release of Grant component of GOI
1	(i) Approval of projects by Monitoring Committee (ii) Bipartite / Tripartite agreement amongst Discoms, State Govt & Nodal Agency on behalf of MoP.	10%
2	Placement of Letter of Award (LoA) by the utility	20%
3	Utilisation of 90% of grant released by GOI (1st and 2nd Tranche) and 100% release of Discom contribution	60%
4	After completion of works	10%

14. Milestones for release of additional grant (50% of loan component i.e. 5% for special category States and 15% for other States)

Additional grant (i.e. conversion of 50% of loan component) under the scheme will be released subject to achievement of following milestones :

- Timely completion of the scheme as per laid down milestones
- Reduction in AT&C losses as per trajectory finalized by MOP in consultation with State Governments (Discom-wise)
- Upfront release of admissible revenue subsidy by State Govt. based on metered consumption

15. Implementation of rural electrification component of the scheme

All ongoing projects under this component of the scheme will be implemented as per CCEA approval dated 01.08.2013 and the commitment made/targets fixed under RGGVY will be completed by carrying forward the approved outlay of RGGVY to DDUGJY. A copy of Office Memorandum issued by Ministry of Power conveying the approval of CCEA is enclosed at **Annexure-III.**

16. The expenditure involved on above scheme would be debit to approved budget grant No. 2801.05.800.06.00.35 of Ministry of Power for the year 2014-15 and the relevant budget head for the subsequent years.
17. The scope of work items listed in Annexure-II of this sanction shall be eligible under the scheme provided the proposed scope of works is not covered under any Gol program like R-APDRP/ RGGVY / NEF etc. The projects for which any other grant / subsidy from Government of India has already been received / proposed to be received shall not be eligible under this scheme. State Level Standing Committee (SLSC) under the chairmanship of Chief Secretary shall ensure that there is no duplication of works while recommending the projects to the Nodal Agency.
18. The Nodal Agency will furnish monthly progress reports on the implementation of the scheme indicating both financial and physical progress to Ministry of Power and CEA.
19. Detailed guidelines for the implementation of the scheme will be issued separately.
20. This issues with the concurrence of Finance Wing vide their diary No. 190/Fin./14 dated the 01.12.2014.



(B.N.Sharma)

Joint Secretary to the Government of India

To

1. Chief Secretaries of all States
2. Secretary (Power/Energy) of all States
3. Chairman of all State Utilities
4. Chairman & Managing Director, REC, SCOPE Complex, New Delhi.
5. Cabinet Secretariat.
6. Prime Minister's Office.
7. Controller of Accounts, Ministry of Power.
8. Controller of Accounts, Pay & Accounts Office.
9. Principal Directorate of Audit, Economic & Service Ministries, I.P. Estate, New Delhi.
10. Secretary, Planning Commission, New Delhi.
11. Secretary, Department of Expenditure, Ministry of Finance, New Delhi.
12. Chairman, Central Electricity Authority, Sewa Bhawan, R.K.Puram, New Delhi.

Copy to:

PPS to Secretary/PPS to SS(RNC)/PS to JS(RE)/PS to JS&FA, Ministry of Power.



COST ESTIMATE
(Other than Rural Electrification Component)

(Rs. in crore)

S.No.	Proposed Works	Amount
A	Item of works proposed for partial funding by GOI	
1	Feeder Separation/ New Feeders (16500 Nos. feeders and associated works)	24,750
2	33 KV/66 KV Line (21900 Ckm)	1,515
3	Sub-station Works – 33 KV or 66 KV (1620 new sub-station, augmentation of 1615 existing sub-station)	4,045
4	LT Infrastructure works (LT lines with bare conductor/Arial Bunched cables & Distribution Transformers)	5,350
5	Metering at Feeders, Distribution Transformers & Consumers end	6,450
	Sub-Total (A)	42,110
B	Item of works proposed for 100% funding by GOI	
7	Establishing Missing link of Optic fibre (Upto Sub Stations under National Optic Fibre Network-NOFN)	280
8	Creation of Rural Electrification Data Hub at Rural Electrification Corporation	10
9	Project Management Agency (PMA) @ 0.5% of total cost of works [0.5% of A]	211
	Sub-Total (B)	501
	Total Project Cost (A+B)	42,611
C	Fee of Nodal Agency and provision for enabling activities for Ministry of Power	
10	REC fee @0.50 % of total cost of works (A)	211
11	Provision for MoP for enabling activities @0.50 % of total cost of works (A)	211
	Sub-Total (C)	422
	Grand Total (A+B+C)	43033

ESTIMATE FOR GBS REQUIREMENT (Other than Rural Electrification Component)

(Rs. Crore)

Sl.No.	Particulars	Other than Special Category States	Special Category States	Total
1	Total Cost of Works proposed for partial funding by GOI	35793.50	6316.50	42110.00
2	Percentage of project cost proposed to be shared by Gol as Grant (including additional grant on timely completion)	75%	90%	-
3	Grant Component for works proposed for partial funding by GOI	26845.13	5684.85	32529.98
4	Total Cost of Works proposed for 100% funding by GOI	501.00		501.00
5	Fee of Nodal Agency and provision for enabling activities for Ministry of Power	422.00		422.00
	Total GBS Requirement (3+4+5)			33452.98 say 33453

YEAR-WISE PHASING OF BUDGETARY SUPPORT
(Other than Rural Electrification Component)
(Rs. Crore)

Year	Grant
2014-15	500
2015-16	3500
2016-17	6500
Sub-Total (12th Plan)	10500
2017-18	8500
2018-19	7500
2019-20	2500
2020-21	2000
2021-22	2453
Sub-Total (13th Plan)	22953
Grand Total	33453

Scope of works**1. Feeder Separation**

- (i) Physical separation of HT feeders for Agricultural and non-Agricultural consumers
 - (a) Erection of HT lines for drawing new feeders and reorientation/re-alignment of existing lines
 - (b) Installation of new distribution transformers and augmentation of existing distribution transformers
 - (c) Re-location of distribution transformers and associated LT lines for re-grouping of consumers (Agricultural and Non-Agricultural)
- (ii) Virtual separation of feeders
 - (a) Installation of new distribution transformers and augmentation of existing distribution transformers
 - (b) Re-location of distribution transformers and associated LT lines for re-grouping of consumers (Agricultural and Non-Agricultural)
 - (c) Installation of rotary switch and associated hardware at sub-stations

Feeders already segregated by the States Discoms / Power Deptt. shall not be eligible to be covered under this scheme. However, the feeders already segregated by virtual means could be considered for undertaking physical separation under the scheme.

2. Strengthening of sub-transmission and distribution system in rural areas to address critical gaps

The following works shall be eligible to be covered under the scheme based on study/assessment carried by the respective State Discoms / Power Deptt. for identifying critical gaps in sub-transmission and distribution network considering all relevant parameters (such as voltage regulation, HT & LT ratio, optimum loading of transformers & lines, reactive power management, power factor improvement, standard of performance, ongoing works under other schemes etc.) :

- (i) Creation of new sub stations along with associated 66 KV / 33 KV/ 22 KV/ 11 KV lines.
- (ii) Augmentation of existing sub-stations capacity by installation of higher capacity/additional power transformer along with associated equipment/ switchgear etc.
- (iii) Erection of HT lines for reorientation/re-alignment including augmentation of existing lines
- (iv) Installation of new distribution transformers and augmentation of existing distribution transformers along with associated LT lines

- (v) Installation of capacitors
- (vi) Renovation and Modernization of existing sub-stations and lines
- (vii) High Voltage Distribution System (HVDS)
- (viii) Aerial Bunched Cable for theft prone areas

3. Metering

- (i) Installation of suitable static meters for feeders, distribution transformers and all categories of consumers for existing un-metered connections, replacement of faulty meters & electro-mechanical meters.
 - (ii) Installation of Pillar Box for relocation of meters outside the premises of consumers including associated cables and accessories
4. Rural electrification component as per ongoing RGGVY scheme in accordance with CCEA approval dated 01.08.2013 for continuation of scheme in 12th and 13th Plan and applicable guidelines
 5. Completion of optical fibre missing links to connect all the 33 KV or 66 KV grid sub stations under the establishment of National Optical Fibre Network (NOFN)
 6. Creation of rural electrification data hub at REC
 7. Provisioning of micro-grid and off-grid distribution network

Above works shall be eligible under the scheme provided the proposed scope of works is not covered under any Govt program like R-APDRP/ RGGVY / NEF etc. The projects for which any other grant / subsidy from Government of India has already been received / proposed to be received shall not be eligible under this scheme. State Level Standing Committee (SLSC) under the chairmanship of Chief Secretary shall ensure that there is no duplication of works while recommending the projects to the Nodal Agency.

List of items not eligible to be covered under the scheme

1. Works already covered under other schemes of Govt. of India
2. Service lines to consumer (except rural electrification component)
3. Under-ground cable works
4. Cost of land for sub-stations
5. Civil works other than sub-stations
6. Compensation towards right of way
7. Distribution automation and IT applications
8. Office equipment / fixtures
9. Spares (Other than mandatory spares prescribed by the Manufacturer)
10. Tools and Plants (T&P)
11. Vehicles
12. AMR / AMI, Prepaid meters and Smart Meters
13. Salaries and Establishment Expenditure

F. No. 44/10/2011-RE
Ministry of Power
Govt. of India

Shram Shakti Bhawan, Rafi Marg,
New Delhi dated 2nd September, 2013

OFFICE MEMORANDUM

Subject: Continuation of Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) in 12th & 13th Plan - Scheme of Rural Electricity Infrastructure and Household Electrification.

In continuation of Office Memorandum No. 44/19/2004-D(RE) dated 18th March 2005 and Order No. 44/37/07-D(RE) dated 06.02.2008, sanction of the President is conveyed for continuation of "Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) - Scheme of Rural Electricity Infrastructure and Household Electrification", in the 12th & 13th Plan for :

- (i) Completing spillover works of projects sanctioned in 10th and 11th Plan
 - (ii) Continuing the scheme for covering all remaining census villages and habitations with population of above 100
 - (iii) Providing free electricity connections to BPL households at the rate of Rs. 3000 per connection in villages and habitations with population of above 100
 - (iv) Extending DDG to grid connected areas to supplement the availability of power in areas where power supply is less than six hours a day
2. The approval has been accorded for total capital subsidy of Rs.35,447 crore, of which Rs. 23,397 Crore will be met through GBS for 12th Plan and remaining Rs.12,050 Crore would spillover to 13th Plan. Details are enclosed at Annexure-I.
 3. Rural Electrification Corporation (REC) will continue to be the nodal agency for the scheme.
 4. Ninety per cent capital subsidy would be provided towards overall cost of the projects under the scheme, excluding the amount of state or local taxes, which will be borne by the concerned State/State Utility. 10% of the project cost would be contributed by states through own resources/loan from financial institutions.
 5. Prior commitment to be given by the respective State Government for a minimum daily supply of 6-8 hours of electricity in the RGGVY network with the assurance of meeting any deficit in this context by supplying electricity at subsidized tariff as required under the Electricity Act 2003.

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6. Scope of the scheme

6.1 Spillover works of 10th and 11th Plan projects

Spillover works of projects sanctioned in 10th and 11th Plan will be completed in accordance with the applicable guidelines for 10th & 11th Plan respectively unless otherwise specified. State-wise details of projects sanctioned during 10th and 11th Plan including DDG projects are enclosed at **Annexure-II**. The total requirement of capital subsidy for spillover works is Rs. 12,849 Crore as detailed in **Annexure-III**.

6.2 Coverage of remaining Census villages and habitations with population of above 100

The villages and habitations which have not been covered under RGGVY in 10th and 11th Plan projects would be eligible for consideration in 12th Plan. Besides these, villages and habitations covered in 10th and 11th Plan projects would also be eligible for coverage in 12th Plan only for the purpose of covering remaining BPL households as explained below in sub-para 6.3(ii).

6.3 Free electricity connection to Below Poverty Line (BPL) households:

(i) BPL households will be provided free electricity connections with LED lamp at the rate of Rs. 3000 per connection in villages and habitations with above 100 population.

(ii) Free electricity connections to BPL households would also be provided in villages and habitations already covered in sanctioned projects of 10th and 11th Plan from available infrastructure (either available before or provided under RGGVY) and cost of providing connections at the rate Rs. 3000 per connection will be reimbursed to the concerned implementing agency. No funds will be made available to augment or strengthen infrastructure in such already covered villages on account of such BPL connections except for about 17,000 villages, mainly in Bihar and Uttar Pradesh, covered in 10th Plan projects with only 10% of BPL households. Any required expenditure for upgrading or strengthening infrastructure will have to be borne by respective State Government or utility.

(iii) Households above poverty line would be paying for their connections at prescribed connection charges and no subsidy would be available for this purpose from this scheme.

(iv) Wherever SC/ST population exists amongst BPL households and subject to being eligible otherwise, they will be provided connection free of cost and a separate record will be kept for such connection.

6.4 Decentralized distribution-cum-generation

Decentralized distribution-cum-generation from conventional or renewable or non-conventional sources such as biomass, bio fuel, bio gas, mini hydro, geo thermal and solar etc. is envisaged for villages where grid connectivity is either not feasible or not cost effective. DDG will also be extended to grid connected areas to supplement the availability of power in areas where power supply is less than six hours a day. Rs.900 crores as subsidy has been earmarked for DDG Projects. However, the allocation under DDG would be flexible to meet any additional requirement within the overall cost of the scheme. While considering DDG projects it may be ensured that these do not overlap with the schemes of MNRE.

7. Implementation Framework

(i) REC will prepare detailed guidelines for formulation of projects including technical specifications of material / equipment, construction standards, codification scheme for identifying habitations with unique code etc. and guidelines for procurement of goods & services including standard bidding document incorporating cluster based approach for execution of works. REC will get these guidelines approved by the Monitoring Committee.

(ii) REC will formulate an appropriate Quality Control Mechanism through a suitable Quality Control Manual for concurrent evaluation of quality of material/equipment & construction and get it approved by the Monitoring Committee.

(iii) Implementing agencies may also be allowed to execute projects departmentally in exceptional cases with the approval of Monitoring Committee instead of mandatory condition of execution of projects on turnkey basis only. REC will prepare suitable guidelines for departmental execution of projects in such cases to ensure proper utilization of material / equipment in the project areas only and proper accounting of project expenditure and get it approved by the Monitoring Committee.

(iv) REC will formulate a suitable tripartite (Quadripartite – in case CPSU is the implementing agency) agreement to be executed amongst REC on behalf of Ministry of Power, State Government and Implementing Agency to ensure implementation of scheme in accordance with the guidelines prescribed under the scheme and get it approved by the Monitoring Committee.

(v) Each State Government shall set up a State Level Standing Committee, headed by the Chief Secretary and consisting of Secretaries of Energy, Rural Development, Finance, Panchayat Raj, Forest, Revenue and a representative of REC etc. The Committee shall vet the district-wise list of villages, habitations, BPL households to be covered under the scheme and recommend the project proposals formulated by the implementing agency in accordance with the guidelines. The State Committee, while considering project proposals for its recommendations, shall ensure adequacy of upstream network commensurating with the proposed distribution network and availability of adequate power supply to cater to the load demand of project area. The Committee shall also monitor progress, quality control and resolve issues

relating to implementation of sanctioned projects viz. allocation of land for sub-stations, right of way, forest clearance, railway clearance, safety clearance etc..

(vi) State Government shall identify implementing agencies amongst State Power utilities, DISCOMs and identified CPSUs for implementation of scheme in various districts of the State.

(vii) The Implementing Agencies shall first conduct field survey and identify the list of eligible villages and habitations to be covered in 12th Plan. The list of such identified villages and habitations shall be verified by REC on the basis of its records of 10th and 11th Plan projects. REC, while verifying such list of eligible villages and habitations, shall also ensure that all habitations are identified with unique code. Implementing agency shall prepare district-wise Detailed Project Report (DPR) for electrification works in such selected and verified villages and habitations as per the detailed guidelines and technical specifications and submit the project proposal for recommendation by the State Committee. DPRs shall be prepared and submitted for consideration based on actual field survey and as per updated schedule of rates to arrive at the actual quantity/scope and to avoid any cost revision in future. Cost overruns, if any, on the ground of quantity variation shall not be entertained by MOP subsequently and shall be borne by the State Government.

(viii) The projects implementing agencies shall create a dedicated team for implementation of projects at district and project implementing agency level and to enhance level of awareness and to redress grievance of public and public representatives of the project areas. Payment of agency charges would be contingent upon deployment of such dedicated teams by implementing agencies for management of projects.

(ix) The projects recommended by the State Committee shall be submitted to REC for techno-economic appraisal. REC after detailed techno-economic appraisal, submit its recommendations to the Monitoring Committee for consideration of administrative and financial sanction.

(x) The load per BPL household and APL household to be considered as 250 Watts and 500 Watts respectively.

(xi) It may not be economically viable or technically feasible to extend grid to electrify certain habitation on account of either their size or location. Such habitations may be electrified by using suitable scheme of MNRE. State level committee and monitoring committee will examine this aspect while covering all habitations under the project.

(xii) A suitable mechanism shall be put in place in consultation with Ministry of Finance and with the approval of the Monitoring Committee to avoid any overlap between RGGVY scheme and schemes of MNRE.

8. Service Charges / Fees

i) The State Utilities and Central Public Sector Undertakings will be provided 5% of the project cost (excluding the cost of providing connections to BPL households) as agency charges (inclusive of all taxes like service tax etc.) for implementing the scheme including field survey, preparation of DPR, deployment of dedicated manpower and also for meeting additional

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expenditure on compulsory third party monitoring at the first tier of the Quality Control Mechanism. Release of agency charges shall be linked to fulfillment of specified conditions like detailed survey, deployment of dedicated team etc.

ii) Rural Electrification Corporation Limited (REC) will be given 0.5% of the project cost as the fee (inclusive of all taxes like service tax etc.) for establishing frameworks for implementation, meeting the scheme related expenditure, appraisal and evaluation both at pre-award and post award stage, monitoring and complete supervision of the programme from concept to completion of the scheme and for quality control of projects at second tier (REC Quality Monitors) of the Quality Control Mechanism. For spillover works of 10th and 11th plan, REC fee would remain same as earlier i.e. @ 1% of the project cost.

iii) For supporting/enabling activities and Quality Monitoring at Third Tier (National Quality Monitors) to be undertaken by Ministry of Power, a provision of 0.5% of the project cost for the projects to be sanctioned in future would be kept. The supporting activities would be in the nature of capacity building, awareness and other administrative and associated expenses, franchisee development and undertaking of pilot studies and projects complementary to the rural electrification scheme.

9. Monitoring Committee

A Monitoring Committee shall be constituted by the Ministry of Power under the Chairmanship of Secretary (Power), Government of India consisting of representatives from Department of Expenditure, Planning Commission, Ministry of Rural Development, Ministry of Panchayati Raj, Ministry of New and Renewable Energy. This Committee will consider projects for sanction based on the recommendation of the respective State Level Standing Committee and REC. The Committee will also monitor implementation of the scheme in addition to issuing / amending guidelines from time to time. The Committee will also be empowered to review and revise the benchmark cost norms.

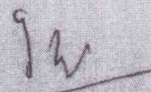
10. Sustainability of RGGVY assets

Deployment of franchisees for management of rural distribution shall not be mandatory for new as well as ongoing projects already sanctioned in 10th and 11th Plan. However, States should mention the alternative arrangement that would be adopted by them to ensure maintenance of the assets created and revenue sustainability at the DISCOM level. The States through DISCOM would be submitting an undertaking to MOP regarding maintenance of assets created under RGGVY projects, at the time of submission of DPRs.

11. The services of Central Public Sector Undertakings (CPSUs) have been offered to the states for assisting them in the execution of Rural Electrification Projects as per their willingness and requirement. With a view to augment the implementation capacities for the programme, REC will enter into Memorandum of Understanding (MOUs) with various CPSUs working in power sector with approval of Monitoring Committee to make available project management expertise and capabilities to states wishing to

use their services. This will be operationalised through a suitable Tripartite / Quadripartite Agreement.

12. In the event the projects are not implemented satisfactorily in accordance with the conditionalities indicated above, the capital subsidy would be converted into interest bearing loans.
13. The expenditure involved on above scheme would be debitable to approved budget grant No. 76 of Ministry of Power for the year 2013-14 and the subsequent years.
14. This issues with the concurrence of Finance Wing vide their diary No. 1017/JS&FA/13 dated the 19.08.2013.



(B. N. Sharma)

Joint Secretary to the Government of India

To

1. Chief Secretaries of all States
2. Secretary (Power/Energy) of all States
3. Chairman of all State Utilities
4. Chairman & Managing Director, REC, SCOPE Complex, New Delhi.



ESTIMATION OF CAPITAL SUBSIDY FOR 12th and 13th PLAN**A. FOR SPILLOVER WORKS 10th PLAN, 11th PLAN**

1. Total requirement of capital subsidy for 10th plan, 11th plan incl. DDG projects (Details in Annexure-III) Rs. 39000 Crore
2. Capital Subsidy utilised up to 31/03/2012 Rs. 26151 Crore
3. Capital Subsidy required for spill over works (1-2) Rs. 12849 Crore

B. FOR NEW PROJECTS

Sl. No	Particulars	Unit Cost (Rs. In Lakh)	Total Quantity (No. in Lakh)	Total amount (Rs. In Crore)
1	Estimated cost of electrifying villages including one habitation (i.e. $0.88 \times 2 = 1.76$ Lakh villages/habitations)	9.00	0.88	7920
2	Estimated cost of electrifying habitations above 100 population	9.00	0.77	6930
3	Estimated Cost of providing free connections to 2.73 Crore BPL households @ Rs.3000/household	0.03	273	8190
4	Cost of DDG Projects in 12th plan	-	-	1000
5	Agency Charges @5 % on (1+2+4) - Excl. BPL cost	-	-	792.50
6	Total project cost (1+2+3+4+5)	-	-	24832.50
7	REC fee @0.5 % of total project cost	-	-	124.16
8	Provision for MoP for enabling activities @0.5 % of total project cost	-	-	124.16
9	Total cost to cover remaining villages, habitations and BPL Households (6+7+8)	-	-	25080.83
10	Subsidy ratio	90:10		
11	Capital subsidy required for projects (against sr.no. 6 above)	-	-	22349.25
12	Capital subsidy against REC Fee/MoP activities	-	-	248.33
13	Total requirement of subsidy including REC fee and provision for MoP for 12th plan projects (11+12)	-	-	22597.58 Say 22598

C. TOTAL REQUIREMENT OF CAPITAL SUBSIDY FOR 12th AND 13th PLAN (A+B) Rs. 35447 Crore

D. CAPITAL SUBSIDY TO BE MET THROUGH GBS FOR 12th PLAN Rs. 23397 Crore

E. CAPITAL SUBSIDY TO BE SPILLOVER TO 13th PLAN (C-D) Rs. 12050 Crore

PROJECTS SANCTIONED IN 10TH PLAN AND 11TH PLAN (As on 31/03/2012)

Annexure-II

Sr. No.	State	No. of Projects	No. of Districts	Coverage							Sanctioned Project Cost (Revised) (Rs.Cr)
				Un-electrified villages (UEV) (Nos)	Partially electrified villages (EV) (Nos)	Total Villages (Nos)	Habitations with population above 100 including Census villages (Nos)	Habitations with population above 100 excluding Census villages (Nos)	Habitations with population 100 or below	BPL Households (BPL H/H) (Nos)	
1	Andhra Pr.	26	22	0	27477	27477	60508	33631	8942	2484663	896.32
2	Arunachal Pr.	16	16	2129	1780	3909	2251	1658	211	40810	942.09
3	Assam	23	23	8325	12684	21310	53520	32210	491	1150987	2762.76
4	Bihar	54	38	23847	19244	43091	68103	25012	0	5693338	7625.26
5	Chhattisgarh	18	16	2594	17375	18969	36795	17826	0	879834	1345.21
6	Gujarat	25	25	0	17667	17667	30835	13168	362	729555	352.02
7	Haryana	21	21	0	8610	8610	6813	203	7	273967	227.55
8	Himachal Pr.	12	12	95	10650	10745	14426	3681	6578	13195	342.03
9	J & K	14	14	239	4442	4681	10946	6285	330	81217	926.68
10	Jharkhand	22	22	19281	7223	26504	59282	32778	17153	1830722	3453.04
11	Karnataka	27	27	61	28504	28565	44648	16081	2887	962455	971.17
12	Kerala	14	14	0	1273	1273	4079	2866	3	73453	237.58
13	Madhya Pradesh	52	48	862	49897	50759	96492	35733	5740	1825176	2697.20
14	Maharashtra	35	34	0	41981	41981	77575	35594	1328	1221854	843.57
15	Manipur	9	9	882	1378	2260	2045	215	0	107360	381.83
16	Meghalaya	7	7	1866	3239	5105	4470	635	0	108696	441.99
17	Mizoram	8	8	137	570	707	615	82	38	27417	268.58
18	Nagaland	11	11	105	1140	1245	1376	131	9	69898	264.35
19	Orissa	32	30	14747	25320	44067	69374	25307	4281	3058580	3782.51
20	Punjab	17	17	0	11840	11840	12728	888	0	148860	186.91
21	Rajasthan	40	33	4350	34845	39195	61582	22397	0	1269942	1333.92
22	Sikkim	4	4	25	418	443	1651	1208	22	11458	198.54
23	Tamilnadu	29	29	0	10738	10738	76739	66001	0	527234	484.68
24	Tripura	4	4	148	658	806	5229	4423	176	107506	198.41
25	Uttar Pradesh	86	85	28136	22980	51116	112533	61423	0	1914309	7288.15
26	Uttarakhand	13	13	1511	13820	15331	13155	2176	25508	223067	766.43
27	West Bengal	29	17	4454	24311	28765	83722	54957	0	2628810	2841.86
Total		648	579	112795	402364	515159	1001906	486347	74157	27569406	42060.44

DETAILS OF DDG PROJECTS SANCTIONED UNDER RGGVY (As on 31/03/2012)

Sr. No.	State	No. of projects	Coverage			Sanctioned Project Cost (Rs.Crore)
			Un-electrified villages (Nos)	Un-electrified Habitations (Nos)	BPL Households (Nos)	
1	Andhra Pradesh	90	39	96	3500	26.55
2	Bihar	48	48	127	18143	37.85
3	Chhattisgarh	18	19	31	1440	10.53
4	Madhya Pradesh	48	48	122	3367	28.83
5	Uttar Pradesh	62	38	65	4021	64.69
6	Uttarakhand	1	2	5	225	2.74
7	West Bengal	9	39	0	23276	109.97
Total		283	233	446	45772	280.56

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A. Spillover Works

Item	Un-electrified Villages (Nos.)	Partially Electrified Villages (Nos.)	BPL Households (Lakh Nos.)
Coverage	112795	402364	275.69
Progress (Up to 31/03/2012)	104496	248553	194.25
Spill over to XII-Plan	8299	153811	81.44

B. Fund Requirement for spillover works of 10th plan , 11th plan and DDG projects

1. Total sanctioned project cost	42341 Rs. Crore
(i) Sanctioned project cost of X Plan projects	13263.68 Rs. Crore
(ii) Sanctioned project cost of XI Plan-Phase I projects	20832.44 Rs. Crore
(iii) Sanctioned project cost of XI Plan-Phase II projects	2964.32 Rs. Crore
(iv) Sanctioned project cost of DDG projects	280.56 Rs. Crore
2. Expected further increase in project cost @ 1 % of total sanctioned project cost	423.41 Rs. Crore
3. Total expected revised project cost	42764.41 Rs. Crore
4. Total Capital subsidy involved @ 90% of total expected revised project cost	38487.97 Rs. Crore
5. Capital subsidy already released towards project cost	25880.15 Rs. Crore
6. Contribution made by States (Including loan from REC) = (5)*0.1/0.9	2875.57 Rs. Crore
7. Cost of spillover = (3)-(5)-(6)	14008.69 Rs. Crore
8. REC Fees	366.09 Rs. Crore
(i) REC Fees for X Plan projects	72.41 Rs. Crore
(ii) REC Fees for XI Plan projects @ 1 % of expected revised project cost of XI Plan projects	290.85 Rs. Crore
(iii) REC Fees for DDG projects @ 1 % of expected revised project cost of DDG projects	2.83 Rs. Crore
9. REC fee already released by MOP	226.37 Rs. Crore
10. Balance REC fee to be released = (8)-(9)	139.72 Rs. Crore
11. Provision for MoP for enabling activities (Out of provision of 1% of total project cost)	90 Rs. Crore
12. Amount utilised by MOP	44.25 Rs. Crore
13. Balance provision for MOP for enabling activities = (11)-(12)	45.75 Rs. Crore
14. Total cost towards Spill over works of 10th and 11th plan projects including REC fee & enabling activities of MOP = (7)+(10)+(13)	14194.16 Rs. Crore
Say	14194.00 Rs. Crore
15. Total requirement of capital subsidy = (4)+(8)+(11)	38944.06 Rs. Crore
Say	39000.00 Rs. Crore
16. Capital subsidy utilised up to 31/03/2012	26151.00 Rs. Crore
17. Capital subsidy required for spillover works of 10th plan , 11th plan and DDG projects	12849.00 Rs. Crore