

Process for sanctioning of projects and release of subsidy under Rajiv Gandhi Grameen Vidyutikaran Yojana.

Sanction of Projects:

- District-wise Detailed Project Reports (DPRs) are prepared by the respective implementing agency i.e. State Power Utility (SPU) /State Distribution Companies (Discoms)/Central Public Sector Undertaking (CPSU) that electrification of un-electrified villages, intensive electrification of partially electrified villages and providing free electricity service connections to BPL households and are submitted to the concerned State Government. Respective State Government forwards it to Rural Electrification Corporation Limited (REC), the nodal agency for implementation of RGGVY under X and XI Plan.
- After processing the DPR, REC places it before the Monitoring Committee on RGGVY, Government of India, for consideration and approval.
- After approval of the Monitoring Committee, sanction letter with reference to the project is issued by REC.
- Concerned implementing agency invites tenders on competitive bidding basis for execution of works and selects successful bidder.
- If the proposed award cost is more than sanctioned amount, the same is approved by the Implementing Agency in case 10% increase and by the Monitoring Committee in case more than 10% increase in award cost over sanctioned cost.
- While execution and survey, if it is found that the requirement of infrastructure is more than the sanctioned quantities, Revised Cost Estimates (RCE) are prepared. Depending upon the amount proposed in the RCE, it is approved by the appropriate authority. That is, if the increased amount is within 10% of the sanctioned cost, the Implementing Agency is competent to approve it. If the increased cost is within 20% of the sanctioned cost, then REC is the authority to sanction it. And if it is beyond 20%, then the Monitoring Committee, headed by Secretary (Power) is the competent to approve the increased cost.
- After approval of RCE, amendment in sanction order is issued by REC.
- After completion of physical works by the implementing agency and inspection by the Electrical Inspector, the villages is handed over to the SPUs/Discoms by the Implementing Agency.
- Once the village is handed over to the SPU, it is the responsibility of the concerned SPU to maintain the infrastructure created under RGGVY and to provide satisfactory electric supply to the consumers.

Release of subsidy:

- When the contract is ready for award, 30% amount of the project cost is given to Implementing Agency as an advance. Subsequent installments are released based on the reported utilization of amount in the previous installment(s) and fulfillment of other conditionalities of RGGVY.
