**Revised Draft Guidelines/ Procedure for**

**Disbursement of Fund from**

**State Power System Development Fund**

**Table of Contents**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Description** | **Page No.** |
| **1.** | Background | 3 |
| **2.** | Definitions and Interpretation | 3 |
| **3.** | Scope | 3-4 |
| **4.** | Nodal Agency and its functions | 4-5 |
| **5.** | Procedure for submission of the Project proposal(s)/ Scheme(s) by project entity(s) | 5-6 |
| **6.** | Timelines allowed to the Nodal Agency for processing of detailed project reports | 6 |
| **7.** | Appraisal Committee and its functions | 6-7 |
| **8.** | Sanctioning of the Project proposal(s)/ Scheme(s) under State PSDF | 7 |
| **9.** | Monitoring Committee and its functions | 7-8 |
| **10.** | Sanction of release of funds/ grant from State PSDF | 9 |
| **11.** | Funding pattern | 10 |
| **12.** | Monitoring | 10 |
| **13.** | Disbursement | 10-11 |
| **14.** | Utilization of Funds | 11 |
| **15.** | Audit and Accounts | 11 |
| **16.** | Ineligible expenditures | 11-12 |
| **17.** | Execution, Operation & Maintenance of the Assets | 12 |
| **18.** | Quantity variation and Substituted items | 12 |
| **19.** | Annual Report, Review and modifications | 12 |
| **List of Formats & Annexures** | | |
| **A-Formats for project/ Scheme Details** | | |
| 1. | Annexure I- List of documents to be submitted by the Project entities at the time of release of funds | 13 |
| 2. | Format A1- Summary of Proposal | 14 |
| 3. | Format A2- Detailed Proposal | 15-17 |
| 4. | Format A3- Summary of Detailed Project Report (DPR) | 18-20 |
| 5. | Format A4- Financial Implication of the Scheme | 21 |
| 6. | Format A5- Undertaking | 22 |
| **B-Formats for Recommendations by Appraisal Committee and Monitoring Committee** | | |
| 1. | Format B1- Recommendations of the Appraisal Committee | 23 |
| 2. | Format B2- Recommendations of the Monitoring Committee | 24 |
| **C-Formats for Disbursement of Grant from PSDF** | | |
| 1. | Format C1- Request for Release of installment | 25 |
| 2. | Format C2- Utilization Certificate | 26 |
| 3. | Format C3- Agreement | 27-30 |
| 4. | Format C4- Checklist of Documents to be Submitted for Release of funds | 31 |
| 5. | Format C5- Status of Implementation of the Scheme funded from PSDF | 32-33 |
| 6. | Format C5A- Monthly Progress Report | 34-35 |
| 7. | Format C5B- Proof of Expenditure/ Auditor’s Certificate | 36 |
| 8. | Format C6- Likely Statement of Expenditure | 37 |
| 9. | Format C7- Mandate for bank details format | 38 |
| 10. | Annexure D1- Format for sanction order | 39-40 |
| 11. | Annexure D2- Format for LOA | 41-44 |
| 12. | Annexure D3- Process of Appraisal of the project proposals/ scheme(s) | 45 |

|  |  |
| --- | --- |
| **1.** | **Background** |
| **1.1** | These Guidelines/ Procedure are issued in accordance with the HPERC (Power System Development Fund) Regulations, 2020 notified by the HP Electricity Regulatory Commission’s vide No. HPERC-H (1) 32/ 2020, dated: 22.08.2020.  The procedure for disbursement of funds from the PSDF has been envisaged in compliance with **Regulation-15 (Application of fund collected through Deviations)** of the Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2018 notified by the Commission vide Notification No. HPERC-H (1)25/ 2017, dated: 16.10.2018, which stipulates as under:  ***“The surplus amount, if any, in the State Deviation Pool Account as on the last days of the months of June and December of each year, or at such other intervals as the Commission may direct from time to time, shall be transferred to a separate fund namely "the State Power Systems Development Fund", which shall be opened, operated and maintained by the SLDC. The fund shall be utilized for the purpose relating to development of power system in the State in the manner specified in these regulations or as may be approved/ directed by the Commission from time to time”.*** |
| **1.2** | HPSLDC collects Deviation Settlement Charges notified by the Commission under HPERC Deviation Settlement Regulations-2018, amended from time to time in line with these regulations. The balance/ surplus amount, if any in the State Deviation Pool Account is being regularly transferred to the State PSDF Account maintained by the HPSLDC on Half Yearly basis as per directions of the HPERC. |
| **2** | **Definitions and Interpretation** |
| **2.1** | **‘Act’** means the Electricity Act, 2003 (36 of 2003), including amendments thereto; |
| **2.2** | **‘Appraisal Committee’** means the Committee constituted by the Commission as per regulation 6 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020; |
| **2.3** | **‘Commission’** means the Himachal Pradesh Electricity Regulatory Commission; |
| **2.4** | **‘Monitoring Committee’** means the committee constituted by the Commission as per regulation 8 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020; |
| **2.5** | **‘Nodal Agency’** means the agency designated for the purpose of these regulations as per regulation 5 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020; |
| **2.6** | **‘PSDF’** means the State Power System Development Fund to be opened, operated and maintained by the HPSLDC under the regulation 15 of Himachal Pradesh Electricity Regulatory Commission (Deviation Settlement Mechanism and Related Matters) Regulations, 2018; |
| **2.7** | **‘Project Entity’** means the State Transmission Utility (STU) or Distribution Licensee or Himachal Pradesh State Load Dispatch Centre (HPSLDC) who may submit the proposal (s) for funding from PSDF under Regulation 4 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020 and shall also be responsible for execution, operation & maintenance of the scheme sanctioned by the Commission under Regulation 10 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020; |
| **2.8** | **‘Scheme’** means the proposal for the implementation of a set of works, as approved by the Commission under regulation 7 of Himachal Pradesh Electricity Regulatory Commission (Power System Development Fund) Regulation, 2020; |
| **3** | **Scope** |
| **3.1** | In accordance with the PSDF Regulations, 2020 as amended from time to time, the following categories of projects will be eligible for funding from PSDF: |
| **(i)** | The proposal (s) which are not covered under any scheme formulated for funding, fully or partially, under the State Government/ Central Government/ Project Entity schemes; |
| **(ii)** | Proposal (s) may broadly cover the works of the following nature: |
| **(a)** | Improvement in LT/ HT/ EHT distribution system of Distribution Licensee to ensure the smooth and reliable power supply to the consumers and also improvement in distribution system beyond the interconnection points where the renewable power generators have connected; |
| **(b)** | Transmission/ distribution systems of strategic importance based on operational feedback by Himachal Pradesh State Load Despatch Centre (HPSLDC), STU or Distribution Licensee for relieving congestion in Intra -State Transmission/ Distribution system. |
| **(c)** | Installation of special protection schemes, pilot and demonstrative projects, standard protection schemes and for setting right the discrepancies identified in the protection audits; and |
| **(d)** | Scheme in furtherance of the above objectives such as Technical Studies, Capacity Building, improvement of voltage profile, hardware/ software for up-gradation of HPSLDC/ HPALDC, Smart Grid initiatives, Energy Storage, Demand Side Management Systems, Power System Communication & Communication Hardware, Monitoring and Measuring schemes including installation of Phasor Measurement Unit (PMU), etc; |
| **(iii)** | The proposal(s) should be useful for the safe, smooth and efficient operation of a larger part of the State Power System instead of a few individuals; and |
| **(iv)** | Private sector schemes shall not be eligible for assistance from the PSDF. |
| **4** | **Nodal Agency and its function** |
| **4.1** | The Himachal Pradesh State Load Despatch Centre (HPSLDC) has been designated as the Nodal Agency for all intents and purposes and the overall coordination of the various activities under **Regulation: 5 (1)** of the (Power System Development Fund), Regulations, 2020 notified by the Hon’ble Commission. |
| **4.2** | The various functions of the Nodal Agency, as defined under **Regulation 5 (2)** of the above-mentioned Regulations are as follows: |
| **4.2.1** | **Functions related to the preparation of detailed guidelines for:**   * 1. Submission of DPRs by the Project Entity(ies) to Nodal Agency and by the Nodal Agency to the Commission;   2. Processing of appraisal of the schemes;   3. Disbursement and release of funds subject to the provisions of the PSDF Regulations, 2020;   4. Monitoring of scheme(s) at the execution and operation stage;   5. Cost/time overrun in the execution of scheme(s) and remedial measures to curb and mitigate the same.   6. Submission of schemes to the Commission for sanction and submission of progress reports etc. to the Commission; and   7. Any other item required to complete the intend of the regulations to ensure the proper implementation of the provisions of the PSDF Regulations, 2020; |
| **4.2.2** | **Functions related to the scrutiny of the draft schemes:**   1. The Nodal Agency shall initially scrutinize the proposals received from the concerned Project Entity(ies) in each quarter for technical suitability duly keeping in view the eligibility conditions as per **Regulation: 3** of the PSDF Regulations, 2020. 2. All the proposals received by it at the end of a quarter shall be scrutinized as per the prudent practices and submitted, within **(1) One Month**, to the Appraisal Committee for its suitable directions/ recommendations; and 3. all the proposals received by the Nodal Agency in a quarter shall be processed in a single lot. |
| **4.2.3** | **Functions related to submission of the draft schemes to the Commission:**  The Nodal Agency shall submit the self-contained draft scheme(s), duly scrutinized and processed as per **Clause (4.2.2)** above, along with the recommendations of the Appraisal Committee, to the Commission for sanction, soon after the availability of the recommendations of the Appraisal Committee. |
| **4.2.4** | **Functions related to monitoring the progress of sanctioned schemes during the execution stage:**   1. The Nodal Agency shall monitor the progress of the implementation of the scheme(s), sanctioned by the Commission as per **Regulation-7** of the PSDF Regulations, on monthly basis based on the progress report to be submitted to it by the concerned Project Entity implementing the scheme. 2. To submit the status report, along with the proposed remedial measures if any, to the Monitoring Committee on a quarterly basis. 3. To submit to the Commission, the progress reports, along with the recommendations of the Monitoring Committee under **sub- regulation (2) of Regulation- 8** of the PSDF Regulations, 2020 to the Commission on a monthly basis. 4. To submit the proposals for revision of the scope of work, sanctioned cost or the completion targets, along with the recommendations of the Monitoring Committee under clause (iii) of **sub-regulation (2) of Regulation 8** of the PSDF Regulations, 2020 to the Commission. 5. To submit proposals, along with the recommendations of Monitoring Committee, for the release of funds against the sanctioned cost of the scheme(s) to the Commission; |
| **4.2.5** | **Functions related to monitoring the progress of sanctioned schemes during operation stage:**   1. The Nodal Agency shall submit the progress report on a quarterly basis about the functioning of the schemes during the operation stage to the Monitoring Committee. 2. the Nodal Agency shall also submit, to the Commission, half yearly progress reports about the functioning of the schemes during operation stage, along with the details of recommendations, if any, made by the Monitoring Committee for improving the performance of such schemes and action taken in this regard. |
| **4.2.6** | **Other functions:**   1. Function as Secretariat to the Monitoring Committee and the Appraisal Committee. 2. Keep the Record of Business transacted at each meeting of the Appraisal Committee and the Monitoring Committee. 3. To submit, to the Commission the proposals received by it in a quarter, along with complete details as well as the recommendations of the Appraisal Committee, within **15 (Fifteen) days** from the receipt of recommendations from the Appraisal Committee; 4. To prepare Annual Report of PSDF. 5. Perform such other functions as may be assigned by the Commission, Monitoring Committee and the Appraisal Committee. |
| **5** | **Procedure for submission of the Project proposals/ Schemes by the State Entity(ies)** |
| **5.1** | All the Project Entity(ies) shall submit the draft scheme (s)/ project proposal (s) in the shape of a detailed project report, complete in all respect and duly supported by the cost benefit analysis, proposed for funding from State PSDF to the Nodal Agency.  The project entity(ies) while submitting the scheme(s) for funding from PSDF shall furnish necessary details of the project(s)/ scheme(s) including Detailed Project Report (DPR) to Nodal Agency to facilitate identification, scrutiny, prioritization and appraisal of the schemes by the Appraisal Committee. **Five (5)** hard copies *(including one original)* and one soft copy of the required documents of the scheme shall be submitted to the Nodal Agency. A sample DPR format has been enclosed at ***Annexure-Z***. |
| **5.2** | The proposed project proposal(s) submitted for funding from PSDF shall have the following details in the formats enclosed as **Format A1 to A5.** Following details in respect of the project proposal(s) are required to be submitted.  a) Summary of proposal.  b) Scheme details including detailed project report (DPR).  c) Financial implication of the scheme and BOQ.  d) Basis of Cost estimates and other parameters.  e) Project Implementation plan including Time frame for implementation.  f) An undertaking stating that:   * No tariff shall be claimed for the portion of the scheme funded from State PSDF. * Amount of grant shall be refunded in case of transfer/ disposal of the facility being created under this proposal to any other scheme for funding. * If for the scheme under the proposal, the grant from any other agency is being taken/ proposed to be taken, the amount of grant shall be refunded back to State PSDF Account in case of non-utilization of the grant within one year of release of installment. |
| **5.3** | The DPR should include Background, Project Objectives, Beneficiaries, On-going initiatives, Technology, Management arrangements, Cost Estimates, BOQ, Time Frame PERT chart, Success criteria and Sustainability. Any other specific requirement may be sought at any time by the Appraisal Committee. |
| **5.4** | The DRP should also include Single Line Diagram and other schematics clearly highlighting the proposed scheme equipment getting replaced/ renovated. |
| **5.5** | Prioritization of project proposal (s)   * While prioritization the Schemes, the intent would be to include those schemes which are planned with the objective to render special help towards power system development and not forming a part of business as usual. * Prioritization shall be done mainly on the criteria of the schemes (i) Addressing grid safety and security concerns; (ii) Being of State importance; (iii) Being in the order of project entities/ State importance (iii) Being Intra-State in nature: * Large number of schemes shall be considered rather than large sized schemes. |
| **6** | **The timelines allowed to the Nodal Agency for processing of detailed project reports will be as under:**   |  |  |  | | --- | --- | --- | | **Sr. No.** | **Description** | **Timelines** | | **1** | Time allowed to the Nodal Agency for detailed scrutiny of the project proposals submitted by the various project entity (ies) | **30 days** from the date of receipt of project proposal (s) by the Nodal Agency. | | **2** | Submission of the project proposal (s) to the Appraisal Committee by the Nodal Agency, if there are Nil observations/ shortcomings in the project proposals received from the project entity (ies). | Within **30 days** after the end of respective quarter in which the project proposal has been received by the Nodal Agency. | | **3** | Submission of compliance by the project entity (ies) towards observations/ shortcomings in the project proposals, raised by the Nodal Agency. | Within **20 days** from the date of dispatch of communication of the Nodal Agency. | |
| **7** | **Appraisal committee and its functions:** |
| **7.1** | An Appraisal Committee headed by Executive Director (Technical), HP Electricity Regulatory Commission has been constituted by the Commission vide notification No. HPERC-H (1)-32/ 2020-42525/ 2021 dated 23.3.2021in accordance with the HPERC (PSDF) Regulations, 2020 as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Sr. No.** | **Designation** | **Department/ Agency** | **Capacity** | | 1 | Executive Director (Technical) | HPERC | Chairman | | 2 | General Manager (Projects) | STU (HPPTCL) | Member | | 3 | Chief Engineer (System Planning) | Distribution Licensee (HPSEBL) | Member | | 4 | Chief Engineer (Operation) | Distribution Licensee (HPSEBL) | Member\*\* | | 5 | Accounts Officer | HPERC | Member | | 6 | Superintending Engineer (SLDC) | HPSLDC | Member Secretary |   *\*\*Only in such cases where the project/proposal pertains to distribution system, the Chief Engineer (Operation), HPSEBL of the concerned zone to which the project / proposal pertains to, is nominated as a member of the Appraisal Committee.* |
| **7.2** | **The various functions of the Appraisal Committee, as defined under Regulation 6 (2) of the PSDF Regulations, 2020 are as follows:**   1. The Appraisal Committee shall carry out the techno-economic appraisal of the proposals submitted to it by the Nodal Agency, under clause (ii)(b) of sub-regulation 2 of regulation 5, keeping in view, the eligibility criteria as per regulation 3 of these regulations and shall finalize its findings/ recommendations on each scheme submitted to it. The schemes received by the Nodal Agency from the concerned Project Entity in a quarter shall be considered simultaneously. 2. The Member Secretary of the Appraisal Committee shall duly compile and process the recommendations of the Appraisal Committee and shall expedite the submission of the self- contained proposals by the nodal agency to the Commission in accordance with Clause: 4.2.3 of this guidelines/ procedure. 3. Any other functions as may be specifically assigned to it by the Commission or Monitoring Committee or which may otherwise be required to discharge by it for smooth implementation of its role defined under the PSDF Regulations, 2020. |
| **7.3** | **The timelines allowed to the Appraisal Committee for processing of project proposal(s) received from the Nodal Agency will be as under:**   |  |  |  | | --- | --- | --- | | **Sr. No.** | **Description** | **Timelines** | | **1** | Time allowed to the Appraisal Committee for according its recommendations towards submitted project proposal(s). | Within **30 days** from the date of receipt of the project proposal(s) from the Nodal Agency. | |
| **8** | **Sanctioning of the Project proposal(s)/ Scheme(s) under State PSDF** |
| **8.1** | The Nodal Agency, within **15 days** after the receipt of recommendations from the Appraisal Committee, will be required to approach to the Commission for sanctioning of the project proposal(s) duly recommended by the Appraisal Committee. The Nodal Agency shall also inform the project entity who has submitted the proposal, about the recommendation of the Appraisal Committee. |
| **8.2** | The Commission shall take into consideration the various aspects of the project proposal(s) in accordance with **Regulation-7, (Sanction of Schemes) of the HPERC (PSDF) Regulations, 2020** and communicate to the Nodal Agency, whether the proposed projects are in line with the principles defined in HPERC (PSDF) Regulations, 2020 and have been prioritized in accordance with the principles envisaged in the said Regulations. |
| **9** | **Monitoring Committee and its functions:** |
| **9.1** | A Monitoring Committee headed by Member (Technical), HP Electricity Regulatory Commission has been constituted by the Commission vide notification No. HPERC-H (1)-32/ 2020-43224/ 2021 dated 23.3.2021in accordance with the HPERC (PSDF) Regulations, 2020 as follows:   |  |  |  |  | | --- | --- | --- | --- | | **Sr. No.** | **Designation** | **Department/Agency** | **Capacity** | | 1 | Member (Technical) | HPERC | Chairman | | 2 | Director (Projects) | STU (HPPTCL) | Member | | 3 | Director (Operation) | Distribution Licensee (HPSEBL) | Member | | 4 | Chief Accounts Officer | Distribution Licensee (HPSEBL) | Member | | 5 | Superintending Engineer (SLDC) | HPSLDC | Member Secretary |   A Monitoring Committee will consider the project proposal (s) of the project entity (ies) for sanction of the release of funds, based on the recommendations of the Appraisal Committee and sanction order of the Commission.  The Monitoring Committee will also supervise and monitor the implementation of various projects sanctioned by the Commission. Based upon sanctioned amount by the HPERC on the recommendations of the Appraisal Committee, the funds will be released to the project entities from the PSDF in accordance with the extant rules/ instruction for administrative sanction/ approval and release of funds. The release of funds from PSDF will be regulated as per the extant instructions of the Commission from time to time. |
| **9.2** | **The various functions of the Monitoring Committee, as defined under Regulation-8 (2) of the PSDF Regulations, 2020 are as follows:**   1. Review the progress of the implementation of the scheme(s) sanctioned by the Commission under **Regulation-7** of the PSDF Regulations, 2020 based on the status to be submitted to it by the Nodal Agency. 2. Make its recommendations for release of funds against the sanctioned cost in a phased manner after taking into account the plan of implementation and the progress actually achieved:   **Provided** that in case any amount, in excess of the limit specified in the proviso to **sub-regulation (3) of Regulation-7** of the PSDF Regulations, 2020, is required to be released upfront keeping in view the specific requirements, the Monitoring Committee may give its recommendations after detailed examination.   1. In case of any cost/ time over run in the completion of the scheme, the Monitoring Committee may recommend the remedial measures to curb and mitigate the time/cost overrun and also for the revision of the estimated cost and completion target and/or the scope of the work based on the actual progress achieved.   **Provided** that in cases where revision of cost is recommended, it will also make recommendations about the funding of the additional cost based on the benefit analysis for the additional cost.   1. The Monitoring Committee shall also review the progress about the functioning of each such scheme during operation stage so as to evaluate the benefits being derived as a result of the execution of any such scheme and also to recommend the steps for improving the function of the scheme in case of any shortfall. 2. Any other functions as may be specifically assigned to it by the Commission or otherwise may require to be discharged for smooth implementation of its role under the PSDF Regulations, 2020. 3. The Member Secretary of the Monitoring Committee shall duly compile and process the recommendations of the Monitoring Committee and shall expedite the submission of the self- contained proposals/ status reports along with recommendations of the Monitoring Committee to the Commission by the Nodal Agency in accordance with **Clauses: 4.2.3 to 4.2.6** of this guidelines/ procedure**.** |
| **10** | **Sanction of release of Funds/ Grant from State PSDF** |
| **10.1** | Based on the communication received from the HPERC regarding sanctioning of the project proposal(s), the Nodal Agency Shall approach the Monitoring Committee for sanction of release of funds from the PSDF within **15 days** from the date of receipt of communication by the Nodal Agency regarding sanctioning of the project proposal(s).  Conditions for release of portion of grants will be as under.   |  |  |  |  | | --- | --- | --- | --- | | **Sr. No.** | **Description** | **Conditions for release of grant** | **Format No.** | | 1 | 10% amount of the sanctioned grant or **10.0 Lakhs**, whichever is lower. ***(First stage)*** | Signing of the Agreement between the Nodal Agency and the Project Entity on the prescribed format. | **C-3** | | Submission of request for release of 1st installment to the Nodal Agency of State PSDF. | **C-1, C-4,**  **C-7** | | 2 | 20% amount of the works awarded under respective tranche\*\*.  ***(Second stage)***  ***\*\*A maximum of 05 different works can be included in a particular tranche.*** | After issue of letter of award(s) by the project entity and signing of contract agreement between the project entity and the contractor/ firm to whom the work is awarded.  An application is to be forwarded for release of funds to the Nodal Agency on the prescribed formats. | **C-1, C-4,**  **C-6** | | 3 | 50% amount of the works awarded under respective tranche\*\*.  ***(Third stage)*** | After the receipt of equipment/ material complete in all respect (Towards supply part) in the consignee’s store in respect of all the works under respective tranche.  An application is to be forwarded for release of funds to the Nodal Agency on the prescribed formats. | **C-1, C-2,**  **C-4, C-5B, C6** | | 4 | 20% amount of the works awarded under respective tranche\*\*.  ***(Third stage)*** | After 100% completion of all the works under respective tranche.  An application is to be forwarded for release of funds to the Nodal Agency on the prescribed formats. | **C-1, C-2,**  **C-4, C-5B, C6** |   ***Please refer to Annexure-1 for list of other documents to be supplied at the time of submission of respective claims.*** |
| **10.2** | A separate dedicated bank account shall be maintained in respect of the Grants received from PSDF for creation of capital assets. The project entity will keep the funds in interest bearing deposits of Nationalized Bank till payments are made to the contractors. For compliance of the requirement, details of bank account shall be furnished as per the mandate form enclosed as **Format-C7** at the time of submission of request for release of first instalment of grant. |
| **10.3** | The Commission may also, subsequent to sanction of the scheme, revise the scope, sanctioned cost and/ or the completion targets of any such schemes based on the proposals submitted to it by the Nodal Agency along with the recommendations of the Monitoring Committee:  **Provided** that in case of any upward revision of the cost, the Commission may also direct the Nodal Agency and the concerned Project Entity to meet the additional cost in a manner as may be considered appropriate by it keeping in view the quantum of such additional amount and the other details. E-banking mode shall be adopted for all transactions up to project completion level. |
| **11** | **Funding Pattern** |
| **11.1** | For the purpose of determination of ARR in relation to any project funded from State PSDF, the funds released from State PSDF shall normally be considered as grant unless ordered otherwise by the Commission. |
| **11.2** | The minimum threshold levels of project outlays for schemes to be considered for funding from PSDF shall be **Rs. 10.00 Lakhs.** |
| **11.3** | The quantum of grant towards the project Cost Estimate as finalized/ recommended by Appraisal Committee shall depend on the type of project/ scheme subject to availability of Funds and admissibility, as deliberated under **Clause: 3.1(ii)(a) to 3.1(ii)(d)** of this procedure shall be as follows:  Upto 100% grant for project proposal(s) mentioned in **Clause 3.1(ii) (a) and 3.1 (ii) (d).**  Upto 80% grant for project proposal(s) mentioned in **Clause 3.1(ii) (b) and 3.1 (ii) (c).** |
| **11.4** | The Appraisal Committee shall recommend the amount of grant to the various project proposal(s) based on the funding pattern as stated above and subject to availability of the funds in State PSDF. |
| **11.5** | Grants will be finally sanctioned by the HPERC on the recommendations of the Appraisal Committee on the basis of the type of project/ scheme as stated above. Escalation, if any, in the cost of the project proposal(s) shall be borne by the project entity. |
| **11.6** | The Nodal agency shall also submit the project proposal(s) along with recommendations of Monitoring Committee for the release of funds against the sanctioned costs of the scheme(s) to the Commission. |
| **12** | **Monitoring** |
| **12.1** | Monitoring and implementation of projects/schemes shall be carried out by a group of officers not below the rank of Senior Executive Engineer appointed by Monitoring Committee. This group shall submit the Monitoring Report along with Action Taken Report on monthly basis to the Nodal Agency. This group shall also recommend action to be taken in case of default and delay in implementation of the scheme(s). The Nodal Agency shall further submit the Status Reports along with the Action Taken Reports/ recommendations to the Monitoring Committee on a quarterly basis. |
| **13** | **Disbursement** |
| **13.1** | The funds against the sanctioned scheme(s) shall be released by the Nodal Agency on the recommendations of the Monitoring Committee duly approved by the Commission to project entity(ies) from the State PSDF Account maintained by the Nodal Agency. |
| **13.2** | Application for release of funds from the PSDF shall be accompanied by the documents and details as mentioned at **Annexure-I**, depending on the stage of execution of the project. |
| **13.3** | The disbursement of the funds shall be carried out in a phased manner for project proposal(s) in all categories which are approved for funding from PSDF. As a normal practice, the release of the funds shall be made in three installments as per the details given below:  **First Stage:** **10%** of the sanctioned grant or **Rs. 10.00 Lakhs** *(Whichever is lower)* within **30 days** from the date of signing of the Agreement between the Nodal Agency and the Project Entity and fulfillment of all requirements.  **Second Stage:** **20%** amount of the total cost of works awarded under respective tranche shall be released in accordance with the award of works in maximum number of 5 tranches and fulfilment of all requirements, including requisite legal formalities by the project entity(ies) as per sanction letter of the project. The release of 20% grant in respect of works under respective tranche(s) would be released after the Letter of Award has been issued by the project entity(ies) and agreement has been signed with the respective contractor(s).  ***(Note: 01 no Tranche may include maximum of 05 Nos. of different works).***  **Third Stage:** **50%** amount of the total cost of works awarded under respective tranche shall be released within **30 days** from date of receipt of requisite documents by the Nodal Agency from the respective Project Entity(ies), as prescribed under **Para: 10.1** of this guidelines/ procedure.  **Final Stage:** Balance **20%** amount of the total cost of works awarded under respective tranche shall be released within **30 days** from date of receipt of requisite documents by the Nodal Agency from the respective Project Entity(ies), as prescribed under **Para: 10.1** of this guidelines/ procedure.  ***However, if any other specific funding pattern different from the pattern mentioned above, is desired by the project entity, then entity shall mention the same at the time of submission of the proposal to the Nodal Agency. The Monitoring Committee may consider the same at the time of sanction of funds for the scheme(s) submitted by project entity(ies) through Nodal Agency.*** |
| **13.4** | Specific physical milestones which would be required to be achieved for the project for release of various installments will be indicated in the project sanction order. |
| **13.5** | A separate interest-bearing Bank Account will have to be maintained by the project entity(ies) for the component of grant from PSDF and this grant will be deposited in that designated bank account. Any interest earned on the grant in the bank account maintained by the project entity(ies) or any unspent amount of the grant portion of PSDF shall be reduced while making demand for final installment. Any residual amount including interest if any, after completion of the project shall be returned to State PSDF. |
| **14** | **Utilization of Funds** |
| **14.1** | 1. The Project entity(ies) shall ensure that funds are not diverted for any other purposes and are utilized only for implementation of projects approved under PSDF only. 2. At the time of submission of further claims, the Project entity(ies) shall furnish provisional utilization certificate and certify that there are no unspent balances available from earlier sanctions. 3. The Project entity(ies) may keep a strict monitoring on utilization of funds and furnish the monthly reports containing progress of the schemes under PSDF on the prescribed format i.e. **Format: C5 & C-5A**. 4. The funds spent should be co-related/ linked to achievement of physical targets so that effectiveness of the PSDF scheme is ensured. 5. The Project entity(ies) shall ensure that during the course of implementation of PSDF Schemes the interest/ income earned from Grants for creation of capital assets shall be remitted to the State PSDF account maintained by the Nodal Agency of the State PSDF, immediately after the closure of each financial year. Project entity(ies) shall also ensure that funds released under PSDF Scheme shall not be utilized for ineligible expenditure. |
| **15** | **Audit and Accounts** |
|  | 1. A subsidiary book of accounts shall be maintained by the project entity(ies) in respect of the funds received for the schemes/ project proposals funded through State PSDF. 2. At the time of submission of respective claims after release of first instalment, all the project entity(ies) will be required to submit a utilization certificate issued by a certified Chartered Accountant as per **Format: C-5B**. 3. The books of account are also open for test check by the CAG of India as well as Internal Audit wing of the respective project entity. |
| **16** | **Ineligible Expenditures** |
|  | Any expenditure which is not directly related and exclusively spent towards the implementation of the scheme shall not be counted as eligible expenditure.  The ineligible expenditure shall include:   1. Cost of Land. 2. Interest during construction. 3. Administrative Expenditure including salary. 4. Contingent liabilities. 5. Costs resulting from the deferral of payments to creditors. 6. Cost incurred towards erection and commissioning. 7. Cost incurred towards spares. |
| **17** | **Execution, Operation & Maintenance of the Assets** |
|  | The project entity shall be responsible for the execution (Erection and Commissioning) as well as Operation & Maintenance of the projects during its useful life. Operation and Maintenance of the Project/ schemes shall be governed in accordance with the Terms and Conditions of Tariff- Regulations of the HP Electricity Regulatory Commission, as amended from time to time or any subsequent enactment thereof. |
| **18** | **Quantity Variation and Substituted Items** |
|  | The project entity has to submit the complete case for seeking quantity variation/ substituted items (or both) along with full justification to the Nodal Agency. The Nodal Agency after due scrutiny, will forward the complete case of quantity variation/ substituted items (or both), duly recommended to the Appraisal Committee for Techno-Economic appraisal and for further submission of the case to the Commission for final approval after recommendation by the Appraisal Committee. The total financial implication on account of quantity variation and towards substituted items collectively shall not be allowed to exceed more than **10% (Ten percent)** of the initially approved project cost. |
| **19** | **Annual Report, Review and Modification** |
|  | An Annual Report of the fund including the projects undertaken during the year, together with the Balance Sheet and Audited Accounts shall be submitted by the Nodal Agency to the HP Electricity Regulatory Commission and for information to the Commission.  **HPERC on recommendations of the Monitoring Committee may review these Guidelines/ Procedure from time to time.** |

**Annexure-I**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **List of documents** | **First Stage**  *(10% of the approved Scheme cost)* | **Second/ Stage**  *(20% of the eligible amount of works under respective Tranche)* | **Third/ Intermediate**  **Stage (s)**  *(40% of the eligible amount of works under respective Tranche)* | **Final Stage**  *(30% of the eligible amount of works under respective Tranche)* |
| a) | PSDF Sanction Order issued by the HPERC | √ |  |  |  |
| b) | Agreement duly signed by the entity  **(Format-C3)** | √ |  |  |  |
| c) | Authorized representative and bank details to which the funds are to be transferred. | √ |  |  |  |
| d) | Request for release of installment **(Format-C1)** | √ | √ | √ | √ |
| e) | Checklist of documents **(Format-C4)** | √ | √ | √ | √ |
| f) | Likely Statement of Expenditures (SOE) for the works to be taken up/ Statement of Expenditure in respect of the completed work | √ | √ | √ | √ |
| g) | Bank Mandate Form | √ |  |  |  |
| h) | Copy of Letter of Awards |  | √ |  |  |
| i) | Factory inspection reports in respect of equipment/ material and certificates for completed portion of the scheme |  |  | √ | √ |
| j) | Project Status reports including the details of the physical and financial timelines |  |  | √ | √ |
| k) | Utilization Certificate for the utilized portion of the Funds **(Format-C2)** |  |  | √ | √ |
| l) | Proof of expenditure/Auditor’s certificate for expenditure incurred corresponding to the scheme. |  |  | √ | √ |
| m) | Completion and commissioning certificates/ Taking over Certificate (wherever applicable) |  |  |  | √ |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

**SUMMARY OF PROPOSAL**

***Format A1***

|  |
| --- |
| **For Official Use - To be filled by the Nodal Agency** |
| **Project Proposal Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Date of Receipt: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** |

|  |  |  |
| --- | --- | --- |
| **To be filled by the Requesting Organization / Project Entity** | | |
| 1. Name of the requesting Organization / Utility: |  | |
| 1. Short Summary of Project / Work/ Activity | | |
| 1. Name and location of the Project/ Work / Activity |  | |
| 1. Objective of the Project/ Work/ Activity: |  | |
| 1. Authorized Person for this Project / Scheme/ Activity | Name: |  |
| Designation: |  |
| Office: |  |
| Website: |  |
| E-Mail ID: |  |
| Contact Nos: |  |
| 1. Nature of the Project/ Scheme/ Activity: Inter – State/ Intra – State |  | |
| 1. Identified Beneficiaries |  | |
| 1. Merits of the project/ work |  | |
| 1. Limitations, if any |  | |
| 1. Time frame for implementation |  | |
| 1. Estimated Cost of Project / Scheme/ Activity |  | |
| 1. Category under which the project is classified   **(Please refer Clause: 3 (ii) (a) to (d) of the guidelines/ procedure.** |  | |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

***Format A2***

**DETAILED PROPOSAL (DP)**

1. **Details of the Requesting Organization/ Project Entity**
   1. **Details of Organization / Entity**

|  |  |
| --- | --- |
| Name of Organization/ Entity |  |
| Acronym or Abbreviation  (if applicable) |  |

* 1. **Details of Head of the Organization**

|  |  |
| --- | --- |
| Name (**Mr.** / Ms. / Mrs.) |  |
| Designation |  |
| E-mail Address |  |
| Phone/ Fax No. |  |
| Address |  |
| City |  |
| Postal Code |  |

* 1. **Details of Project In-charge / Project Manager (Authorized Person) for this project/ work/ activity.**

**(Not below the rank of Dy. General Manager / Superintending Engineer)**

|  |  |
| --- | --- |
| Name (Mr./ Ms./ Mrs.) |  |
| Designation |  |
| E-mail Address |  |
| Phone/ Fax No. |  |
| Mobile No. |  |
| Fax No. |  |
| Address |  |
| City |  |
| Postal Code |  |

***\*\* Any change in above mentioned details may be communicated to the Nodal Agency of PSDF immediately.***

1. **Justification of the Proposal**

This justification of proposal shall be on the basis of procedure for scrutinization and sanction of the proposal to be funded through PSDF. ***Please fill the details from 2.1 to 2.6.***

* 1. **Analysis of the objective**

Please provide the concise technical analysis in such a way that it will give clear understanding of depth and intensity of the objective of the project. This may include:

* The problem/ Constraint to be addressed
* Objective of the project/ scheme/ activity
* How the problem/constraint would be addressed through the project/ scheme/activity
* Required physical additions/equipment in the power system
* Financing and other commercial details
* Merits and limitation (if any) in the implementation of the project/scheme/activity

The description should be Specific & precisely elaborating on each issue.

* 1. **Identified beneficiaries if the project/ scheme**

Identify the specific beneficiaries of this project/ scheme/ activity. Explain specifically how they benefit from the project/ scheme/ activity implementation.

* 1. **Identified Source of Funding**

Wherever the project is to be funded partly through self-contribution and partly through grant from PSDF as per categorization of the project, both internal and external sources of funding may be specified along with respective Quantum of funding.

* 1. **Details of Activities for Project/ Work/ Activity**

Describe the activities that need to be undertaken in order to produce the desired results. The activities may include technical and feasibility studies, research etc. wherever they are applicable.

* 1. **Executing Agency**

Give the details of the executing agency including their performance record, Justification behind the recommendation of the particular Executing for implementing this project/scheme/activity.

* 1. **Time line for Implementation of Project / Scheme / Activity**

Describe the time line for implementing this project/ scheme/ activity including the target list of activities that need to be undertaken for the defined durations between timeline.

|  |  |
| --- | --- |
| **Timeline of the Project / Scheme / Activity** | |
| **Duration of Project (in Months)** |  |
| **Likely Start Date** |  |
| **Likely Completion Date** |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Timeline of Activities** | | | | | | | | | | | | | | |
| **Sr.**  **No.** | **Description** | **Year** | **Financial Year………………** | | | | | | | | | | | |
| **Month** | **M1** | **M2** | **M3** | **M4** | **M5** | **M6** | **M7** | **M8** | **M9** | **M10** | **M11** | **M12** |
| **1.** | **Project Approval** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **2.** | **Bid Preparation** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **3.** | **Bidding Period** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **4.** | **Evaluation, Contract Award and Mobilization** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **5.** | **1st Disbursement** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **6.** | **Project Status Report** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **7.** | **2nd Disbursement** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **8.** | **Project Status Report** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **9.** | **3rd Disbursement** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **10.** | **Project Status Report** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **11.** | **4th Disbursement** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **12.** | **Project Status Report** |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

***Format A3***

**Summary of Detailed Project Report (DPR)**

A Detailed Project Report (DPR) may be given which should include Background, Project Objectives, and Beneficiaries, On-going initiatives, Technology, Management arrangements, Cost Estimates, Time Frame, Success criteria and sustainability.

**Summary of DPR given-Yes/ No Copy of the DPR attached-Yes/ No**

Sample Format for DPR Summary in respect of the project proposal(s) is/ are as below

**Cost break-up of Equipment proposed to be procured/ replaced etc.**

**Name of the Project Proposal (s):**

**Abstract of Price Schedule and schedule of quantities:**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sr.**  **No.** | **Description of the equipment to be procured/ replaced (Rating, type etc.)** | **Unit**  **(Nos./ Sets)** | **Qty.** | **Rate including taxes**  **(Rs. Lakhs)** | **Total**  **(4\*5)**  **(Rs. Lakhs)** | **Cost of spares**  **(Rs. Lakhs)** | **Erection/civil**  **Works**  **(Rs. Lakhs)** | **Total**  **(6+7+8)**  **(Rs. Lakhs)** |
| ***1*** | ***2*** | ***3*** | ***4*** | ***5*** | ***6*** | ***7*** | ***8*** | ***9*** |
| **1** |  |  |  |  |  |  |  |  |
| **2** |  |  |  |  |  |  |  |  |
| **3** |  |  |  |  |  |  |  |  |
| **Grand Total:** | | | | |  |  |  |  |

***Note: Detailed break-up of the equipment proposed to be procured/ replaced is to be provided by the Project entity as per table given below.***

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sr.**  **No.** | **Name of Location/ Site of work** | **Description of the equipment to be procured/ replaced (Rating, type etc.)** | **Unit**  **(Nos./ Sets)** | **Qty.** | **Rate including taxes**  **(Rs. Lakhs)** | **Total**  **(5\*6)**  **(Rs. Lakhs)** | **Cost of spares**  **(Rs. Lakhs)** | **Erection/ civil**  **Works**  **(Rs. Lakhs)** | **Total**  **(7+8+9)**  **(Rs. Lakhs)** |
| ***1*** | ***2*** | ***3*** | ***4*** | ***5*** | ***6*** | ***7*** | ***8*** | ***9*** | ***10*** |
| **1** | **Loc.1\*\*** |  |  |  |  |  |  |  |  |
| **2** | **Loc.2** |  |  |  |  |  |  |  |  |
| **3** | **Loc.3** |  |  |  |  |  |  |  |  |
| **Grand Total:** | | | | | |  |  |  |  |

***\*\*Location may be an office viz. HPSLDC/ HPALDC/ Division/ Sub-Division office or EHV/ HV Substation of STU/ DISCOM***

**Location wise detail of existing equipment proposed to be replaced**

**Name of the Location:**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sr.**  **No.** | **Name of Location/ Site of work** | **Description of the equipment to be replaced** | **Unit**  **(Nos./ Sets)** | **Qty.** | **Year of make** | **Life covered as on date** | **Ratings** | **Tagged for replacement**  **(Yes/ No)** | **Reasons for replacement** |
| ***1*** | ***2*** | ***3*** | ***4*** | ***5*** | ***6*** | ***7*** | ***8*** | ***9*** | ***10*** |
| **1** | **Loc.1** |  |  |  |  |  |  |  |  |
| **2** | **Loc.2** |  |  |  |  |  |  |  |  |
| **3** | **Loc.3** |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Location wise Abstract quantity estimate in respect of each equipment proposed to be procured/ replaced for each location (Rs. In Lacs)** | | | | | | | |
| **Sr.**  **No.** | **Description of equipment** | **Location1** | **Location2** | **Location3** | **.** | **.** | **Total** |
|  | **Equipment1** |  |  |  |  |  |  |
|  | **Equipment2** |  |  |  |  |  |  |
|  | **Equipment3** |  |  |  |  |  |  |

**Implementation schedule/milestones**

1. **Target for physical milestones:**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Particular** | **Total**  **(Nos./ Sets)** | **Financial year………** | | | | **Financial year………** | | | | **Financial year………** | | | |
| **Q1** | **Q2** | **Q3** | **Q4** | **Q1** | **Q2** | **Q3** | **Q4** | **Q1** | **Q2** | **Q3** | **Q4** |
| **Equipment-1** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Equipment-2** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Equipment-3** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Equipment-4** |  |  |  |  |  |  |  |  |  |  |  |  |  |

1. **Target for financial milestones:**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Sr. No.** | **Purpose for which the amount is required** | **Financial year………..**  **Requirement of funds**  **(Rs. Lakhs)** | | | | **Financial year………..**  **Requirement of funds**  **(Rs. Lakhs)** | | | |
| **Q1** | **Q2** | **Q3** | **Q4** | **Q1** | **Q2** | **Q3** | **Q4** |
| 1 |  |  |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |  |  |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

***Format A4***

**Financial Implication of the Scheme**

(**Guidelines:** The financial implications of the proposal may be worked out as accurately as possible and should be detailed in this section. Further, the manner in which the expenditure is proposed to be borne may also be clearly indicated. Please provide the project cost estimate for its scheduled duration along with a break-up of year-wise, component-wise expenses segregated into non-recurring and recurring expenses.)

1. **Summary**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Item** | **Amount** |
| 1. | Total estimated Cost towards work/ schemes |  |
| 2. | Funding Proposed from State PSDF |  |
| 3. | Contribution from Internal Sources |  |
| 4. | External Borrowings |  |

1. **Details**
   1. **Cost Estimate**

Give the detailed cost estimate for implementing the project/ scheme/ activity and attach the management / government approval of the cost estimate and funding.

Reliability of Cost estimates and other parameters: The basis of calculations of the cost estimates on which the management / government approval has been given has to be detailed in this section. The supporting documents of the reliability of the cost estimate may be attached as Annexure.

Any ineligible expenditures as per Guidelines/ Procedure should be excluded from the Project Cost Estimate.

1. **Funding**
   1. **Funding Proposed from PSDF as grant**

Give the details of amounts proposed from PSDF as grant

* 1. **Contribution from Internal Sources**

What Contribution does your organization give in implementing this project/ work/ activity as part funding of the project is required as self-contribution. Please Explain.

* 1. **External Borrowings**

Give the details of sources and amounts tied up through external borrowings as part funding of the project is required as self-contribution. Please Explain.

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

***Format A5***

**UNDERTAKING**

**(On a Non-judicial Stamp paper of Rs. 100.00 only duly notarized and attested**

I, Dr./ Mr./ Ms………………………………son/ daughter/ wife of………………………….……Resident of………………………………………………………………………….***(Full address)*** and presently working in the capacity of……………………………….in the……………………………………………. ***(Name of Deptt./ Office)*** hereby undertake to comply with the following terms and conditions with regards to funding of the…………………………………………………..***(Name of the scheme)*** with disbursement from PSDF:

* **No tariff shall be claimed for the portion of the scheme funded from PSDF.**
* **Amount of grant shall be refunded in case of transfer/ disposal of the facility being created under this proposal to any other scheme for funding**
* **Shall specifically mention it for the scheme under the proposal, the grant from any other agency is being taken/ proposed to be taken.**
* **The grant shall be refunded back to PSDF in case of non-utilization of the grant within one year of release of installment.**

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Designation:**

***Format B1***

**Recommendations of the Appraisal Committee**

|  |  |
| --- | --- |
| ***(To be filled by Nodal Agency)*** | |
| **Project Proposal Number:** |  |
| **Name of the Proposed Scheme:** |  |
| **Project Cost Estimate as given by the project entity (Rs.)** |  |
| **Proposed grant requested by the project entity from PSDF (Rs.)** |  |
| **Self-Contribution proposed by the project entity (Rs.)** |  |
| 1. **Internal Source of funding** |  |
| 1. **External Source of funding** |  |

|  |  |  |
| --- | --- | --- |
| ***(To be filled by Appraisal Committee)*** | | |
| **Sr. No.** | **Item** | **Observations/ Remarks of Appraisal Committee** |
| **1.** | **Whether Appraisal Committee has recommended the grant from PSDF? (Yes/ No)** |  |
| **2.** | **Details of Appraisal Committee Report**  *(Report to be attached as Annexure)* | Reference No-  Date- |
| **3.** | **Summary details about the Recommendation of the Appraisal Committee**   1. Technical Feasibility 2. Performance Parameters 3. Reliability of Proposed Cost Estimate 4. Proposed Source of funding |  |
| **4.** | **a) Project cost estimate as recommended by the Appraisal Committee** |  |
| **b) Category under which the scheme is recommended by the Appraisal Committee in line with Para 3.1 (ii) (a to d) of the Guidelines/ Procedure.** |  |
| **c) Grant to the project entity recommended by the Appraisal Committee from PSDF (Rs.)** |  |

**Signature of the Appraisal Committee Members**

|  |  |  |  |
| --- | --- | --- | --- |
| **Member-1** | **Name…………………………** | GM (Projects), HPPTCL | **Signature………...** |
| **Member-2** | **Name…………………………** | Chief Engineer (SP), HPSEBL | **Signature………...** |
| **Member-3** | **Name…………………………** | Chief Engineer (Op.) HPSEBL | **Signature………...** |
| **Member-4** | **Name…………………………** | Accounts Officer, HPERC | **Signature………...** |
| **Member Secretary** | **Name…………………………** | Superintending Engineer (HPSLDC) | **Signature………...** |
| **Chairman** | **Name…………………………** | Executive Director (Tech.), HPERC | **Signature………...** |

***Format B2***

**Recommendations of the Monitoring Committee**

|  |  |
| --- | --- |
| ***(to be filled by Nodal Agency)*** | |
| **Project Proposal Number:** |  |
| **Name of the Proposed Scheme:** |  |
| **Project Cost Estimate as given by the project entity (Rs.)** |  |
| **Proposed grant requested by the project entity from PSDF (Rs.)** |  |
| **Self-Contribution proposed by the project entity (Rs.)** |  |
| 1. **Internal Source of funding** |  |
| 1. **External Source of funding** |  |

|  |  |  |
| --- | --- | --- |
| ***(to be filled by Monitoring Committee)*** | | |
| **Sr. No.** | **Item** | **Observations/ Remarks of Monitoring Committee** |
| **1.** | **Appraisal Committee Report available? (Yes/ No)** |  |
| **2.** | **Total Project cost accepted by the Appraisal Committee (Rs. Lakhs)** |  |
| **3.** | **Category and Quantum of funding (In line with Clause 3 (ii) (a to d) and 11.3 of the guidelines/ procedure** |  |
| **4.** | **Total grant recommended by the Monitoring Committee (Rs. Lakhs)** |  |

**Signature of the Monitoring Committee Members**

|  |  |  |  |
| --- | --- | --- | --- |
| **Member-1** | **Name** **……………………………...** | Director (Projects), HPPTCL | **Signature…………...** |
| **Member-2** | **Name………………………………** | Director (Operation), HPSEBL | **Signature…………...** |
| **Member-3** | **Name………………………………** | Chief Accounts Officer, HPSEBL | **Signature…………...** |
| **Member Secretary** | **Name………………………………** | Superintending Engineer (HPSLDC) | **Signature…………...** |
| **Chairman** | **Name………………………………** | Member (Technical), HPERC | **Signature…………...** |

***Format C1***

**Request for Release of Installment**

**Project Proposal Number………………………………..**

**Sanction Order No………………………………………….for sanction of grant from PSDF**

**Sr. No. of Installment (First /Second/Third/ Final)**

*(Tick whichever is applicable)*

**Date of Submission by the project entity:………………………………**

To

**The Superintending Engineer,**

**HP State Load Despatch Centre,**

**Govt. of HP, Totu, Shimla-171011 (HP).**

1. **On the basis of the above sanction from PSDF, it is requested to release installment of grant with details as indicated below:**

1. Total Accepted Project Cost Estimate is Rs…………………………………
2. The total amount of grant sanctioned from PSDF is Rs…………………......
3. The total amount already claimed under sanctioned grant from earlier installments is Rs………………………………which forms…………..(%) of the sanctioned grant.
4. The total amount already invested as self-contribution in the project/ scheme/ activity is Rs…………………………….which forms……………..(%) of the Project Cost Estimate.
5. The amount requested as grant from PSDF against this instalment is Rs………………………which forms (%)…………………..of the sanctioned grant.
6. **We hereby certify and agree as follows:**
7. The information given as above is correct as per records maintained for the purpose.
8. No claims have been submitted to Nodal Agency for release of payment earlier in respect of the invoices being submitted against above installment
9. The work to be carried out under the above project is as per the sanctioned scheme and is in line with Technical Standards/ Guidelines issued by CEA or any other such Authority.
10. All claims for expenditure incurred are from the date of sanction of projects by Commission.
11. A separate interest-bearing Bank Account will be maintained by the us for the component of grant from PSDF and this grant will be deposited in that designated bank account. Any interest earned on the grant in the bank account maintained by us or any unspent amount of the grant portion of PSDF shall be reduced while making demand for final installment. Any residual amount including interest if any, after completion of the project shall be returned to State PSDF.

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

***Format C2***

**Utilization Certificate**

**Project Proposal Number………………………………..**

**Sanction Order No………………………………………….for sanction of grant from PSDF**

**Sr. No. of Installment (First/Second/Third/ Final)**

*(Tick whichever is applicable)*

**Date of Submission by the project entity:………………………………**

**It is certified that:**

1. In respect of the project/ Scheme/ Activity, the accepted Project Cost Estimate is Rs……………………………..
2. The total amount of grant sanctioned is Rs…………………………………
3. The amount already released from the sanctioned grant under earlier instalments is Rs…………………………………
4. The amount already utilized from the released instalments is Rs……………………………..which forms (%)……………………. Of the already earlier disbursed grant.
5. The total estimated self-contribution in the approved scheme/project/activity is Rs……………………………….out of which Rs……………………………has already been invested which forms (%)…………………………….of the Approved project Cost Estimate.
6. I have satisfied myself that the conditions on which the grant was sanctioned during the financial year have been duly fulfilled and that I have exercised the checks as are found necessary to ensure that the money was actually utilized for the purpose for which it was sanctioned as per data furnished above.

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

*Countersigned by the Head of Organization/ Utility*

**Date:**

**Name and Seal:**

***Format C3***

**AGREEMENT**

**AMONGST**

**NODAL AGENCY OF STATE PSDF AND**

**…………………………………………..*(Project Entity)***

This AGREEMENT entered into this **……………………..**day of**.…………………Two Thousand…………………..** AMONGST HP State Load Despatch Centre, a Statutory Body constituted under Section 31 of the Indian Electricity Act-2003 having its registered office at Totu, Shimla-171011 (Himachal Pradesh) (herein after referred to as **“Nodal Agency”**) as party of the First Part.

**AND**

………………………………………. ***(Project Entity)***, a body constituted under Electricity Act, 2003 duly owned by Government of ………………………………………, having its Head Office at……………………………………………………………(hereinafter referred to as ***“ENTITY”***) which expression shall unless repugnant to the context or meeting thereof include its successors and assignee) as party of the Second party.

**OR**

……………………………………… ***(Project Entity)***, a company incorporated under the companies Act 1956 having its registered office at………………………………….. (hereinafter referred to as ***“ENTITY”*** which expression shall unless repugnant to the context or meaning thereof include its successors and assignee) as party of the second part.

**Nodal Agency and ENTITY collectively referred to as “Parties” and singularly as a “Party”.**

1. AND WHEREAS ENTITY intend to implement project (s) for **………………………………………………………………(Name of project/ Scheme/ Activity)**and whereas it has been agreed to finance such project (s) from Power System Development Fund **(PSDF)** on the terms and conditions as stipulated in the **……………………………………(Sanction order No. and date) issued by the HP Electricity Regulatory Commission. Kasumpti, Shimla (HP).**
2. AND WHEREAS the parties have agreed that the project (s), as posed by ENTITY and sanctioned by Monitoring Committee, under the PSDF Scheme commencing from the Financial Year……………. shall be deemed to have been covered under this agreement. The terms and conditions of sanction for a particular project, as contained in the Sanction Letter issued by **HPERC**, shall also form part and parcel of the present agreement. The sanction letter shall include supplements and modifications issued by **HPERC**, if any, to sanction letter.
3. AND WHEREAS the responsibility for formulation, development and implementation of the aforesaid project (s) rests with the ENTITY.
4. AND WHEREAS Funding from PSDF shall be considered for the projects proposed by ENTITY that have a bearing on grid safety and security, provided these are not covered under any other scheme of the Government of India, such as RAPDRP/ RGGVY/ NEF etc.
5. AND WHEREAS, HPERC has sanctioned the aforesaid project (s) for release of funds to meet the expenditure to be incurred on implementation of the projects (s) covered under the program, directly to PROJECT ENTITY through the Nodal Agency.
6. AND WHEREAS, project-wise, separate accounts for development and implementation of such PSDF funded projects shall be maintained by PROJECT ENTITY.
7. AND WHEREAS PROJECT ENTITY commit that they shall ensure that the PROJECT ENTITY shall file a tariff petition with the HPERC in respect of the scheme for funding from PSDF and also ensure that no tariff is claimed in the petition for the portion of the scheme funded from PSDF.
8. AND WHEREAS PROJECT ENTITY shall be the owner of the assets created on implementation of the individual project (s), as sanctioned by PSDF.

NOW, therefore, in consideration of the premises and mutual agreements, covenants and conditions set-forth herein which shall form an integral part of this Agreement, it is hereby agreed by and amongst the parties as follows:

1. **PROJECT FINANCING BY PSDF**
   1. (a) The PROJECT ENTITY shall nominate a nodal officer of suitable rank, for speedy execution of the project (s) and shall be responsible for compliance of the provisions as stipulated. The nodal officer will also arrange to get the relevant clearance/ orders from PROJECT ENTITY expeditiously. The PROJECT ENTITY will assign utmost priority to the works to be executed and also, help in the speedy execution of the project(s) by issuing necessary orders to avoid delay.

(b) Expenditure details will also be submitted by PROJECT ENTITY to Nodal Agency for release of funds against progressive reimbursement claims in the manner prescribed herein under and the detailed procedure, for release of funds in accordance with the structured formats as may be prescribed by Nodal Agency.

(c) The PROJECT ENTITY responsible for execution of the scheme shall ensure timely submission of Project Status reports to HPSLDC along with request for disbursal of funds from PSDF in accordance with the Detailed Procedure.

(d) Periodic review and monitoring of the Physical and Financial progress of the project(s) shall also be taken up by the Monitoring committee of PSDF.

(e) Any expenditure which is not directly related and exclusively spent towards the implementation of the scheme shall not be counted as eligible expenditure.

**1.2**  **Mode of Release of Funds.**

The release of funds from PSDF will be regulated as per the extant instructions of the HPERC. The funds for implementation of the project (s) shall be released by HPERC to PROJECT ENTITY through the Nodal Agency with the recommendation of Monitoring Committee and in the manner as indicated below:

1. **First Stage- 10%** of sanctioned grant within **30 days** from date of signing of the Agreement and fulfillment of all requirements.

**Provided** that amount to the extent of 10 % of the sanctioned cost of the scheme or **Rs.10.0 Lakhs**, whichever is lower, may be released, on the request of the concerned Project Entity, upfront immediately after the sanction of the scheme without waiting for the recommendations of the Monitoring Committee, subject to signing of the Agreement and fulfillment of all requirements.

1. **Second Stage- 20%** amount of the total cost of works awarded under respective tranche shall be released in accordance with the award of works in maximum number of 5 tranches and fulfilment of all requirements, including requisite legal formalities by the project entity(ies) as per sanction letter of the project. The release of 20% grant in respect of works under respective tranche(s) would be released after the Letter of Award has been issued by the project entity(ies) and agreement has been signed with the respective contractor(s).

***(Note: 01 no Tranche may include maximum of 05 Nos. of different works).***

1. **Third/ Intermediate Stage:** **50%** amount of the total cost of works awarded under respective tranche shall be released within **30 days** from date of receipt of requisite documents by the Nodal Agency from the respective Project Entity(ies), as prescribed under **Para: 10.1** of this guidelines/ procedure.
2. **Final Stage:** Balance **20%** amount of the total cost of works awarded under respective tranche shall be released within **30 days** from date of receipt of requisite documents by the Nodal Agency from the respective Project Entity(ies), as prescribed under **Para: 10.1** of this guidelines/ procedure.
3. Final completed cost shall be submitted by PROJECT ENTITY to Nodal Agency based on the audited account.

**1.3 TAXES AND DUTIES:**

All statutory taxes/ levies, duties, cess, entry tax or any kind of imposition (s) whatsoever imposed/ charged by any Government (Central/ State) and/ or other local bodies/ authorities on PROJECT ENTITY and/ or its contractors in respect of execution of the project (s) covered under this Agreement and Service Tax on service charge (including any variation thereof), ***not covered in the estimated cost of the project shall be paid by the PROJECT ENTITY.***

1. **UTILIZATION CERTIFICATE**

PROJECT ENTITY shall provide utilization certificate (s) for the funds released by the HPERC/ Monitoring Committee for implementation of project (s) as per **Format: C5-B** of this guidelines/ procedure, to the Nodal Agency at the time of submission of claims (2nd/ 3rd/ 4th installments).

1. **CONSTRUCTION/ IMPLEMENTATION** 
   1. PROJECT ENTITY shall make all possible efforts to complete the project (s) within the approved time frame starting from the date of release of the First installment of funds by HPERC through Nodal Agency to ENTITY.
   2. PROJECT ENTITY shall specify quarterly milestones, and progress shall be reviewed with reference to these milestones by the Monitoring Committee.
   3. The best cost and quality control measures shall be enforced by PROJECT ENTITY during implementation through appropriate management and control systems.
   4. A separate interest-bearing Bank Account will be maintained by the PROJECT ENTITY for the component of grant from PSDF and this grant will be deposited in that designated bank account. Any interest earned on the grant in the bank account maintained by the entity or any unspent amount of the grant portion of PSDF shall be reduced while making demand for final installment. Any residual amount including interest if any, after completion of the project shall be returned to PSDF.

1. **TAKING-OVER OF THE PROJECT**

PROJECT ENTITY shall ensure taking over the completed project (s) after commissioning (in part or full, as the case may be). PROJECT ENTITY shall be responsible for operation & maintenance of the project (s) thereafter (in part or full, as the case may be) at their own expenses.

1. **ARBITRATION**

Any difference or dispute between the parties arising out of or in connection with this project shall be discussed and settled amicably amongst the parties. In the event of non-settlement of the difference or dispute within S**ixty (60) days**, the same shall be referred to the Secretary, HPERC, Kasumpti, Shimla, for Arbitration and whose decision shall be final and binding on the parties to this Agreement.

1. **FORCE MAJEURE**

The parties shall ensure due compliance with the terms of this Agreement. However, no party shall be liable for any claim for any loss or damage whatsoever arising out of failure to carry out the terms of the Agreement to the extent that such a failure is due to force majeure events such as fire, rebellion, mutiny, civil commotion, riot, strike, lock-out, forces of nature, accident, act of God and any other reason beyond the control of concerned party. But any party claiming the benefit of this clause shall satisfy the other party of the existence of such as event and give written notice of 15 days to the other party to this effect. The service covered under the agreement shall be started as soon as practicable by the parties concerned after such eventuality as come to an end or ceased to exist.

1. **IMPLEMENTATION OF THE AGREEMENT**

All discretions to be exercised and directions, approvals, consents and notices to be given and actions to be taken under these presents, unless otherwise expressly provided herein, shall be exercised and given by the signatories to this Agreement or by the Authorized representative(s) that each party may nominate in this behalf and notify in writing to the other party. Any other nomination of Authorized representative(s) and/or change in designation shall be informed likewise in writing to/ by PROJECT ENTITY and Nodal Agency within **(01) one month** of signing of the Agreement. Any change in designations/registered office address shall be intimated in writing to all concerned parties.

1. **NOTICE**

All notices required or referred to under this Agreement, shall be in writing and signed by the respective authorized signatories or the parties mentioned herein above, unless otherwise notified. Each such notice shall be deemed to have been duly given if delivered or served by registered mail, speed post of Department of Posts or by Courier service with an acknowledgment due to the other parties.

1. **TERMINATION**

This agreement shall remain valid unless terminated with consent of all the Parties.

1. The competent Courts of Shimla shall have exclusive jurisdiction in all matters relating to or arising out under these presents.

IN WITNESS WHEREOF the parties have executed these presents through their Authorized Representatives at Shimla.

|  |  |
| --- | --- |
| **For and on behalf of Nodal Agency.** | **For and on behalf of Project Entity.** |
|  |  |
| **Witness 1 ......................** | **Witness1 ......................** |
| **Witness 2.......................** | **Witness 2 ......................** |

***Format C4***

**Checklist of Documents to be submitted for Release of Funds**

**(First/ Second/ Third (Intermediate) Stages(s)/ Final Stage)**

*(Tick whichever is applicable)*

Application for release of funds from the PSDF shall be accompanied by the documents and details as mentioned below, depending on the stage of execution of the project.

|  |  |  |
| --- | --- | --- |
| **Sr.**  **No.** | **Document** | **Submitted**  **(Yes/ No)** |
| **Documents required to be submitted at the time of request for First Stage only** | | |
| 1 | PSDF Sanction Order |  |
| 2 | Agreement duly signed by the Entity **(Format-C3)** |  |
| 3 | Authorized representative and bank details to which the funds are to be transferred |  |
| 4 | Request for release of installment **(Format-C1)** |  |
| 5 | Likely Statement of Expenditure for the works to be taken up/ Statement of Expenditure in respect of completed works |  |
| **Documents required to be submitted at the time of request for subsequent Installments** | | |
| 6 | Letter of Award |  |
| 7 | Request for release of installment **(Format-C1)** |  |
| 8 | Invoices |  |
| 9 | Likely Statement of Expenditure for the works to be taken up/ Statement of Expenditure in respect of completed works |  |
| 10 | Inspection reports and certificates for completed portion of the Scheme |  |
| 11 | Utilization Certificate for the utilized portion of the already disbursed grant **(Format-C2)** |  |
| 12 | Proof of expenditure/ Auditor’s certificate for expenditure incurred corresponding to the scheme. **(Format: C5-B)** |  |
| 13 | Completion and commissioning certificates/ Taking over Certificate (wherever applicable). |  |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

**STATUS OF IMPLEMENTATION OF THE SCHEME FUNDED FROM PSDF**

***Format C5***

|  |  |  |  |
| --- | --- | --- | --- |
| **1.** | **Name of the entity** | **:** |  |
| **2.** | **Name of the Project** | **:** |  |
| **3.** | **Estimated cost accepted (Rs Lakh)** | **:** |  |
| **4.** | **Grant approved (Rs Lakh)** | **:** |  |
| **5.** | **Date of sanction** | **:** |  |
| **6.** | **Date of signing of agreement** | **:** |  |
| **7.** | **Completion schedule in months** | **:** |  |
| **8.** | **In case of delay, give reason of delay** | **:** |  |
| **9.** | **Details of authorized signatory** | **:** |  |
| *(In case of any change, the revised details may be communicated. There shall be one nodal officer from each project entity(ies) for all the projects funded from PSDF)* | | | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **10.** | **Details of contracts awarded as on date** | **:** |  | | |
| |  |  |  |  | | --- | --- | --- | --- | | **Sr.**  **No.** | **Date of Award** | **Awarded Cost**  **(Rs. lakhs)** | **Matching approved cost (Rs. lakhs)** | | **1** |  |  |  | | **2** |  |  |  | | **3** |  |  |  | |  | **Total** |  |  | | | | | | |
| **11.** | **Details of contracts yet to be awarded:** |  |  | | |
| |  |  |  |  | | --- | --- | --- | --- | | **Sr.**  **No.** | **Likely Date of Award** | **Tendered estimated cost (Rs lakhs)** | **Present status NIT/Bid evaluation/under approval** | | **1** |  |  |  | | **2** |  |  |  | | **3** |  |  |  | | | | | | |
| **12.** | **Likely date for award of the complete scope covered under the DPR :** | | | | |
| **13.** | **Reasons, in case of delay from the scheduled completion given in the DPR :** | | | | |
| **14.** | **Requisition of funds (First instalment and second instalment):** | | | | |
|  | 1. **First instalment (10% after signing of agreement):** | | | | |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Sr.**  **No.** | **Requisition**  **Date** | **Amount**  **(Rs Lakhs)** | **Disbursement Date** | **Amount**  **(Rs Lakhs)** | | **1** |  |  |  |  | | | | | |
|  | 1. **Second instalment (20%) after award of contract:** | | | | |
| |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | **Sr.**  **No** | **LOA details** | | **Requisition date** | **Amount**  **(Rs. Lakhs)** | **Award value accepted** | **Disbursement date** | **Amount**  **(Rs. Lakhs)** | | **Award date** | **Award value** | | **1** |  |  |  |  |  |  |  | | **2** |  |  |  |  |  |  |  | | | | | | |
|  | 1. **Utilization certificate to be furnished for utilized portion:** | | | | |
|  | *(As per the terms and conditions of the sanction order issued by HPERC, the grant shall be refunded back to PSDF in case of non-utilization of the grant within one year of the release of the instalment)* | | | | |
|  | 1. **Third instalment (40%).** | | |  |  |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Sr. No.** | **Requisition**  **Date** | **Amount**  **(Rs Lakhs)** | **Disbursement Date** | **Amount**  **(Rs Lakhs)** | | **1** |  |  |  |  | | **2** |  |  |  |  | | | | | |
|  | **Documents required for release of third instalment:**   * Likely Statement of Expenditures (SOE) for the works to be taken up/ Statement of Expenditure in respect of the completed work. * Inspection reports and certificates for completed portion of the scheme. * Project Status reports including the details of the physical and financial timelines. * Utilization Certificate for the utilized portion of the Funds. * Proof of expenditure. Auditor’s certificate for expenditure incurred corresponding to the scheme to be provided. | | | | |
|  | 1. **Final instalment of 30% on Completion and commissioning certificates/ Taking over Certificate *(wherever applicable)*** | | | | |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Sr. No.** | **Requisition**  **Date** | **Amount**  **(Rs Lakhs)** | **Disbursement Date** | **Amount**  **(Rs Lakhs)** | | **1** |  |  |  |  | | **2** |  |  |  |  | | | | | |
| **15.** | **Progress of works:** | | |  |  |
| |  |  |  |  |  | | --- | --- | --- | --- | --- | | **Sr. No.** | **Description of items as per the approved BOQ** | **Qty.** | **Status of implementation** | **Projected date of commissioning** | | **1.** |  |  |  |  | | **2.** |  |  |  |  | |  |  |  |  |  | | | | | | |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

***Format C5-A***

**MONTHLY PROGRESS REPORT**

*(To be submitted by the project entity)*

|  |
| --- |
| **Name of the Project Entity:** |
| **Name of the Proposed Scheme:** |
| **Sanction order number and date.………………………………………….(*For sanction of grant from PSDF*)** |
| **Estimated cost accepted (Rs. Lakhs.):** |
| **Grant approved (Rs. Lakhs):** |
| **Date of signing of Agreement:** |
| **Total Duration of Project (in Months):** |
| **Start Date of Project:** |
| **Likely Completion Date:** |
| **Date of receipt of 1st / 2nd /3rd /4th Instalment:** |
| **Date of Submission of Report for the Month/Year:** |
| **Details of authorized signatory:** |

1. **Details of contracts awarded as on date:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sr. No.** | **Date of Award** | **Awarded Cost**  **(Rs. Lakhs)** | **Matching approved cost**  **(Rs. Lakhs)** |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
|  | **Total:** |  |  |

1. **Details of contracts yet to be awarded:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Sr. No.** | **Likely Date of Award** | **Tendered estimated cost (Rs. Lakhs)** | **Present status**  **(NIT/ Bid evaluation/ Under approval)** |
| 1 |  |  |  |
| 2 |  |  |  |
| 3 |  |  |  |
|  | **Total:** |  |  |

1. **Activities/ Progress done after the receipt of …………..Instalment.**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Sr.**  **No.** | **Detail of Equipment Covered under the Project/ Scheme** | **Detail of Activities/ Progress done in the previous month** | **Detail of Activities/ Progress done during month** | **Consolidate Detail of Activities/ Progress done** | **Remarks, if any** |
| **1.** |  |  |  |  |  |
| **2.** |  |  |  |  |  |
| **3.** |  |  |  |  |  |

*Note:*

* *(In case of any change, the revised details may be communicated. There shall be one nodal officer from each project entity(ies) for all the projects funded from PSDF).*
* *The monthly report submitted by the project entity will be verify by the group of officers appointed by the Monitoring committee.*

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

***Format C5-B***

**FORM GFRT 19-A**

[See Government of India’s Rule 212{1}]

**PROOF OF EXPENDITURE/ AUDITOR’S CERTIFICATE**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Particulars** | **Amount (in Rs.)** |
| 1. | Opening Balance as on dated……………………. |  |
| 2. | Release of funds by PSDF up to dated………….. |  |
| 3. | Interest Credited during FY……………………... |  |
| 4. | **Total:** |  |
| 5. | **\***Amount utilized up to dated……………………. |  |
| 6. | **Unspent Balance as on dated…………………... (4-5)** |  |

1. Certified that out of **Rs. ……………………,** sanctioned as amount of grant from the State Power System Development Fund by the HP Electricity Regulatory Commission, Vidhyut Aayog Bhawan, SDA Complex, Kasumpti, Shimla vide letter/ approval No. ………………, dated………………, under the Scheme titled ***(Name of Scheme)*** in the favour of ***(Name of Project Entity)***, having its registered office situated at ……………………………………, an amount of **Rs………………………** was received till dated……………. and a sum of **Rs………………..,** has been spent from the designated bank account up tilldated………….., and that the balance of **Rs………………..,** remains in the PSDF Account.
2. The adjustments towards shortage/ excess in terms of quantity, rate etc. will be carried out, towards the end of the project implementation phase.
3. Certified that we have satisfied ourself that the condition on which the fund was sanctioned have been duly fulfilled/are being fulfilled and that we have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

**Kinds of checks exercised:**

1. Document stating sanction as amount of grant from the HP Electricity Regulatory Commission vide letter No……………, dated……………….
2. Related invoices, Vouchers.
3. Designated Bank Statement Account Number……………..maintained by the project entity in the ……………(Name of Bank).

***Format C6***

**LIKEY STATEMENT OF EXPENDITURE (SOE)**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Particulars** | **Remarks** |
| 1 | Name of Project Entity |  |
| 2 | Name of Scheme/ Project Proposal |  |
| 3 | Project cost approved by the HP Electricity Regulatory Commission. |  |
| 4 | Grant approved by the HP Electricity Regulatory Commission from State PSDF. |  |
| 5 | Sanction Order issued by the HP Electricity Regulatory Commission (Number & Date) |  |
| 6 | Completion Schedule in Months |  |
| 7 | Date of issue of letter of awards of respective tranche. (Tranche: 1/2/3/4/5) |  |
| LOA1 |  |
| LOA2 |  |
| LOA3 |  |
| LOA4 |  |
| LOA5 |  |
| 8 | Requirement of Funds (Rs. Lakhs)  **(FY………….)** | **Q1 (Apr…... to June……): Rs………Lakhs** |
| **Q2 (July…... to Sept……): Rs………Lakhs** |
| **Q3 (Oct…... to Dec……): Rs………Lakhs** |
| **Q4 (Jan…... to Mar……): Rs………Lakhs** |
| 9 | Funds drawn as on date and its utilization |  |

**Signature**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:**  **Name:**

**Seal:**

*(Authorized representative)*

***Format C7***

**MANDATE FOR BANK DETAILS FORMAT**

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)/ REAL TIME GROSS SETTLEMENT (RTGS) FACILITY FOR RECEIVING PAYMENTS**

1. **DETAILS OF ACCOUNT HOLDER**

|  |  |
| --- | --- |
| **NAME OF ACCOUNT HOLDER** |  |
| **COMPLETE CONTACT ADDRESS** |  |
| **TELEPHONE NUMBER/ FAX/ EMAIL** |  |

1. **BANK ACCOUNT DETAILS**

|  |  |
| --- | --- |
| **BANK NAME** |  |
| **BRANCH NAME WITH COMPLETE ADDRESS, TELEPHONE NUMBER AND EMAIL** |  |
| **WHETHER THE BRANCH IS RTGS ENABLED? IF YES, THEN WHAT IS THE BRANCH ‘S IFSC CODE** |  |
| **IS THE BRANCH ALSO NEFT ENABLED?** |  |
| **TYPE OF BANK**  **ACCOUNT (SB/CURRENT/CASHCREDIT)** |  |
| **COMPLETE BANK ACCOUNT NUMBER(LATEST)** |  |
| **MICR CODE OF BANK** |  |

**DATE OF EFFECT OF ACCOUNT: -**

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the user institution responsible. I have read the option invitation letter and agree to discharge responsibility expected of me as a participant under the Scheme.

Signature of the Authorized representative of Project entity

**Date:**

Certified that the particulars furnished above are correct as per our records.

Signature of the Authorized representative of Project entity

Bank’s Stamp

**Date:**

1. Please attach a photocopy of cheque along with the verification obtained from the bank.
2. In case your Bank Branch is presently not “RTGS enabled”, then upon its gradation to “RTGS enabled” branch, please submit the information again in the above Performa to the Department at the earliest.

***Annexure-D1***

**HIMACHAL PRADESH ELECTRICITY REGULATORY COMMISSION**

**Vidyut Aayog Bhawan, SDA Complex, Block No. 37, Kasumpti, Shimla-09**

**No. HPERC-H (1)-PSDF-32/ 2021- Dated:**

**To**

**(Name of Project Entity)**

**Subject: Sanction of grant from the State Power System Development Fund towards (Name of Project Proposal/ Scheme).**

**Reference: Project proposal/ Scheme for (Name of Project Proposal/ Scheme).**

**Project proposal No…………………………………………………...**

**Sir,**

The undersigned is directed to convey the approval of the competent authority for sanction of a grant from State Power System Development Fund under **Para No. 3.1 (ii) (a/ b/ c/ d)** of the guidelines/ procedure for disbursement of funds from the State Power System Development Fund for **(Name of Project Proposal/ Scheme).**

This sanction has been accorded subsequent to the approval of Monitoring Committee in its……..meeting held on dated………………and the sanctioned grant is for Rs…………….(Rs. in words) and shall be governed as per the approved guidelines/ procedure for disbursement of funds from the State PSDF.

The scope of work, estimated cost of the project/ scheme and the amount of grant sanction from the State PSDF is as under:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Sr. No.** | **Scope of work/ Name of Scheme/ Project Proposal** | **Cost estimate proposed by the Project entity**  **(Rs. Lakhs)** | **Cost estimate accepted**  **(Rs. Lakhs)** | **Amount of grant sanctioned from State PSDF**  **(Rs. Lakhs)** |
| 1 |  |  |  |  |
| **Total Grant Sanctioned from State PSDF:** | | | |  |

Terms and conditions for the implementation of the aforesaid proposal shall be as under:

1. The items sanctioned for funding from the State PSDF are as per the recommendations of the Appraisal Committee.
2. No Tariff shall be claimed by the **(Name of Project Entity)** for the portion of the proposal funded from the State PSDF.
3. The **(Name of Project Entity)** shall refund the amount of grant in case of transfer/ disposal of the facility being created under this proposal to any other scheme for funding.
4. The **(Name of Project Entity)** shall specifically mention for the scheme under proposal, the grant from any other agency is being taken/ proposed to be taken.
5. The Grant shall be refunded back to the State PSDF in case of non-utilization of the grant **within 01 year of the release of first instalment.**
6. The expenditure beyond **Rs. (Amount of grant sanctioned from State PSDF)** shall be provided by the **(Name of Project Entity)** from their own resources**.**
7. The **(Name of Project Entity)** shall ensure that as assured by the **(Name of Project Entity)** in the project proposal/ scheme, the project gets completed within……..**(Months/ Years)** from the date of release of the first instalment.
8. The **(Name of Project Entity)** and the **HP State Load Despatch Centre** (Nodal Agency of State PSDF) will sign a bi-partite agreement as per **Format: C3** of the approved guidelines/ procedure for disbursement of funds from the State PSDF, within **02 months** from the date of issue of this sanction order, failing which the sanction of grant for the proposal shall be treated as cancelled.
9. The funds shall be disbursed in accordance with the approved guidelines/ procedure for disbursement of funds from the State PSDF.
10. The **(Name of Project Entity)** shall abide by all the procedures outlined in the approved guidelines/ procedure for disbursement of funds from the State PSDF.

**Yours sincerely,**

**…………………………………**

**…………………………………**

**Copy to:**

***Annexure-D2***

**NAME OF PROJECT ENTITY**

**(OFFICE ADDRESS)**

­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**No. Dated:**

**To**

**(Name of Firm)**

**Subject: Letter of award for (Name of work)**

|  |  |  |
| --- | --- | --- |
| **Reference:** | **1.** | **This office tender specification No……….dated………… and your Techno-commercial offer/ bid vide No………………., dated………………and price bid submitted through online (*Name of procurement portal*)/ offline mode.** |
|  | **2.** | **This office letter of even file No…….., dated……………regarding negotiation of rates.** |
|  | **3.** | **Meeting for negotiation of rates held on dated………………in the office of……………………..** |
|  | **4.** | **Negotiation of rates offered/ conveyed vide your letter No……………., dated…………….** |
|  | **5.** | **Letter of intent issued by this office vide even file No……..., dated………………** |
|  | **6.** | **Acceptance of LOI of this office given by you vide No……..., dated………………** |

Dear Sir,

With reference to above, **(Name of organization)** is pleased to issue this letter of award for the subject cited work i.e. **“(Name of work)”** as per schedule of quantities & price schedule attached herewith as ***Annexure-A*** containing………pages i.e. page Numbered (……..to………).

You are, therefore, requested to please convey your acceptance towards this letter of award in respect of above-mentioned work including the bill of quantities and price schedule per ***Annexure-A*** (Pages……..to……….) within**………..days** after the dispatch of this letter of award.

You are also requested to please submit the requisite Performance Bank Guarantee and Contract Agreement as per **Clauses………..**of the detailed **Tender Specifications No……………..**and subsequent amendments thereof within**………..days** from the date of dispatch of this letter of award. Format for submission of Contract agreement and Performance bank guarantee is being sent separately.

A period of **07 (Seven) days** is allowed towards postage lapses from the date of dispatch of this LOA for above mentioned activities for the compliances as mentioned above.

***Contd. P-2***

***Page-2***

**“GENERAL TERMS AND CONDITIONS OF THE CONTRACT”**

1. **Scope of work:**

The scope of work shall be strictly as per **Annexure-A** attached herewith.

1. **Contract Value:**

Total value of the Award/ Contract for **“(Name of work)”** is **Rs……………………Lakhs/ Crores only (Rs. …………………………………………………………only). No deviation (Either +ve or –ve) shall be allowed in the above rates.**

1. **Time period allowed for completion of job/ work:**

The actual period of contract for **“(Name of work)”** as per the above-mentioned scope will be **…………Months/ Years** from date of issue of this letter of award, which can be further extended as per mutual agreed terms and conditions and after taking into consideration the circumstances, which are beyond control. However, a period of **07 (Seven) Days** shall be allowed towards postage from the date of issue of this Award of Work.

Annual Maintenance Contract for the said work shall have to be started immediately after the expiry of above-mentioned time period and the Warranty/ Free Technical Support of **…………Months/ Years.**

**You are required to submit the Pert Chart of activities in respect of above-mentioned work within ……………Months/ days from the date of dispatch of this LOA.**

1. **Performance Bank Guarantee:**

You firm will have to submit Contract Performance Security in the shape of Bank Guarantee with a validity of 02 years amounting to **Rs……………………Lakhs/ Crores only (Rs. …………………………………………………………only)** *(10% of the Contract/ Award value)* on the prescribed format in this regard, to be supplied by the **(Name of Project entity)** and drawn from any Nationalized bank within **…………Days/ Months** from the dispatch of this Award of Work, otherwise the amount mentioned as above will be deducted from the subsequent bills submitted by your firm.

The amount paid by your firm/ deducted from your bills shall be refunded to your firm after the successful completion of entire work and period of free technical support is over. No any interest shall be paid by the **(Name of Project entity)** on the amount deducted on account of Contract Performance Security. **(Name of Project entity)** may ask for the extension of validity of the Performance Bank Guarantee for successful execution of the work during AMC period on the mutually agreed terms and conditions, to be decided later on.

1. **Liquidated Damage Charges:**

In case the work is not completed within the specified timeframe, LD charges **@ 1% (One percent)** of the Contract/ Award value shall be deducted per week towards the delayed portion of work from the bills submitted by your firm, subjected to a maximum of **10% (Ten percent)** of the Contract/ Award value.

1. **Submission of Bills/ Tax Invoices:**

Bills/ Tax Invoices in duplicate towards the supply of material/ completed portion of work shall have to be submitted to the office of the **(Name of office of the project entity)** in person or through Registered post/ Speed post/ Courier service. Registration number of Goods & Service Tax should be clearly mentioned on the bills.

***Contd. P-3***

***Page-3***

1. **Terms of payment:**

**A. Supply Part:**

**20%** payment of supply portion *(Ex-works cost)* along with all taxes and duties shall be made by the **(Name of office of the project entity)** within **……….days** after the receipt of material at Consignee’s store in full and in good condition **and**

Next **50%** payment of supply portion *(Ex-works cost)* shall be made by the **(Name of office of the project entity)** within in **30 (Thirty**) days after the release of **20%** payment, within which reimbursement claims/ expenditure details shall be submitted to the Hon’ble HP Electricity Regulatory Commission, Kasumpti, Shimla, as per Guidelines/ Procedures for disbursement of grants from the State PSDF of the HP State.

**Balance 30%** payment on this account (Supply part), *(Ex-works cost)* will be made by the **(Name of office of the project entity)** after successful installation, testing and commissioning of the entire project.

**B. Erection Part:**

Payment towards erection part shall be made by the **(Name of office of the project entity)** after successful installation, testing and commissioning of the equipment on **Monthly/ Weekly** pro-rata basis.

Bidder has to submit the bills in this regard on a particular date (Mutually decided later on) of every month/ week and **(Name of office of the project entity)** shall make the payment towards bill submitted by the firm/ bidder within **30 days** after the receipt of bill in the **(Name of office of the project entity)**.

**C. AMC Part:**

After completion of each **Quarter/ Half year/ Year** of the AMC Period respectively.

Payment towards bill on this account shall be made by the **(Name of office of the project entity)** within **30 days** after the date of receipt of bill in the **(Name of office of the project entity)**, duly verified by the Engineer-In-Charge.

**It may be noted that no interest shall be payable on the (Name of project entity’s) part, if the payment is delayed beyond 30 days due to unavoidable circumstances only.**

1. **Taxes and Duties:**

GST as per prevalent rates shall have to be paid by your firm in first instance and same shall be reimbursed by the **(Name of office of the project entity)** on the basis of documentary evidence of GST paid/ deposited by your firm. The documentary evidence of GST having being paid by your firm shall have to be submitted along with bills in duplicate. Income Tax as per prevalent rates shall be deducted as per relevant rules from the bills submitted by your firm.

1. **Signing of Contract Agreement:**

Your firm will have to enter into an agreement with the **(Name of office of the project entity)**, in the prescribed format on bond paper/ Non-Judicial paper of **Rs. 100.00** at your cost within **Days/ Months** from the date of dispatch of this Letter of Award. No any payment shall be made towards the works completed by your firm as specified in **Annexure-A**, until and unless the Contract Agreement is signed by your firm. The necessary Stamp Duty for the agreement shall be borne by you.

***Contd. P-4***

***Page-4***

**It may be noted that all the terms and condition specified under the detailed Tender Specifications No…………………and subsequent amendments thereof shall make an integral part of the contract agreement.**

1. **Acceptance of the Order:**

If agreed to the above terms and conditions, please communicate the acceptance of this order within **Days/ Months** from the date of dispatch of this Award of Work, failing which it will be presumed that the order has not been accepted by you.

|  |  |
| --- | --- |
| **Chargeable to:** | **Name of Scheme:**  **Block Head:** |
| **DOFP:** |  |

Yours sincerely,

**Encl. Annexure-A (………pages) …………………….**

**…………………….**

**…………………….**

**Copy to:**

**…………………….**

**…………………….**

**…………………….**

***Annexure-D3***

**Process of Appraisal of the project proposals/schemes:**

**The Procedure for Application, Screening, Appraisal, Monitoring, Sanction etc. of the project proposals/ schemes under State PSDF shall be as follows:**

|  |  |  |
| --- | --- | --- |
| **Sr. No.** | **Description of activity** | **Remarks** |
| 1 | HP State Electricity Board Limited (DISCOM), HP Power Transmission Corporation Limited (STU), HP State Load Despatch Centre, as the case may be, shall furnish necessary details of the projects, schemes or activities to the Nodal Agency of the State PSDF. | Eligibility criteria for the project proposals/ schemes, to be covered under State PSDF shall be as per **Clause: 3.1 (ii) (a to d).** |
| 2 | The Nodal Agency shall place these project proposals or scheme for techno-economic scrutiny by the Appraisal Committee in the Appraisal Committee meeting. |  |
| 3 | After scrutinizing the proposals, the Appraisal Committee shall submit its Appraisal Report and recommendations in writing to the HP Electricity Regulatory Commission, and to the project entity who has submitted the proposal through its member secretary. |  |
| 4 | The Nodal Agency will approach the HPERC, along with the recommendations of the Appraisal Committee, for ascertaining that the project proposal(s)/ scheme(s) are covered within the scope of the Power System Development Regulations, 2020. |  |
| 5 | The HP Electricity Regulatory Commission, on receipt of such reference, will look into the following aspects.   1. Whether the proposed project proposal(s) / scheme(s) are in line with the purposes defined in the PSDF Regulations, 2020; 2. Whether the proposed scheme(s) have been prioritized in accordance with the principles envisaged in these regulations. 3. If the conditions mentioned above are satisfied, the HP Electricity Regulatory Commission shall communicate to the Nodal Agency that the proposed projects are in line with the principles defined in the PSDF Regulations, 2020 and have been prioritized in accordance with the principles envisaged in the said regulations. 4. The HPERC, at this stage shall not go into the details of the project cost, which will be examined by the Commission only at the time of filing of tariff petition by the project entity to ensure inter alia that the tariff in respect of such project/ scheme is not claimed for the portion of grant from the State PSDF. 5. Based on the communication received in this regard from the Central Commission, the Nodal Agency shall approach the Monitoring Committee for sanction of the fund from the PSDF. |  |