



HIMACHAL PRADESH STATE LOAD DESPATCH CENTRE

(an Apex body)

GOVERNMENT OF HIMACHAL PRADESH



No. HPSLDC/ SLDC-04 (A) Vol. 3/ 2022-23- 9429-33

Dated: 10.01.2023

To

1. The Managing Director,
HPSEBL, Vidyut Bhawan, Shimla-04.
E-mail ID: mdhpseblshimla@gmail.com.
2. The Managing Director,
HPPTCL, Himfed Bhawan, Tuti Kandi,
Old Panjari, Shimla-04. E-mail: md@hpptcl.in.

Subject: 2nd amendment of the guidelines/ procedure for the disbursement of funds from State Power System Development Fund.

Reference: This office letters of even file No. 8446-50, dated: 28.01.2022 and 2272-76, dated: 23.06.2022.


Sir,

On the subject cited above and in continuation to this office letters mentioned under reference, enclosed please find herewith a copy of 2nd amendment of the guidelines/ procedure for the preparation of proposal (s)/ Scheme (s) by the different project entities and disbursement of funds from the State Power System Development Fund, in compliance to the **Regulation: 2 (i)** of the HPERC (Power System Development Fund) Regulations, 2020 for favour of your kind information and necessary action please.

Thanking You,

Yours faithfully,

DA: As above


Chief Engineer,
HP State Load Despatch Centre,
Govt. of HP, Totu, Shimla-11.

Copy to:

1. The Secretary, Hon'ble HP Electricity Regulatory Commission, Block No. 37, SDA Complex, Kasumpti, Shimla-09, for information please. (E-mail ID: secy-hperc@hp.gov.in).
2. The Superintending Engineer, HPSLDC, Govt. of HP, Totu, Shimla-11 for information and necessary action please.
3. Website of HPSLDC office.


Chief Engineer,
HP State Load Despatch Centre,
Govt. of HP, Totu, Shimla-11.

**Revised Guidelines/ Procedure for
Disbursement of Fund from
State Power System Development Fund
(Amendment-2)**

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7 Sanction of release of Funds/ Grant from State PSDF

- 7.1 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 (Upfront Money). <i>(1st stage)</i>	Within 30 days from the date of signing of the Agreement between the Nodal Agency and the Project Entity and fulfilment of all requirements specified under the procedure/ guidelines for disbursement of funds from State PSDF.	C-3
		Submission of request for release of 1 st installment to the Nodal Agency of State PSDF.	C-1, C-4, C-7
2	30% amount of the works awarded under respective tranche**. <i>(2nd stage)</i> **A maximum of 05 different works can be included in a particular tranche.	The release of 30% grant (i.e. 30% amount of the total cost of works awarded) in respect of works under respective tranche(s) would be released after the Letter of Award has been issued by the project entity, agreement has been signed with the respective contractor (s) and 50% material has been received in the consignee's store of the Project Entity. 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	30% amount of the works awarded under respective tranche**. <i>(3rd stage)</i>	30% 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, which are required to be submitted by the project entity only after receipt of 90% (Next 40%) material awarded under respective LOA in the consignee's store of the Project Entity. 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	30% amount of the works awarded under respective tranche**. <i>(4th/ Final stage)</i>	Balance 30% 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, which are required to be submitted by the project entity only after receipt of 100% material in the consignee's store of the Project Entity and 100% completion of work (s).	C-1, C-2, C-4, C-5B, C6

Handwritten signatures and initials:

		An application is to be forwarded for release of funds to the Nodal Agency on the prescribed formats.	
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Please refer to Revised Annexure-I (Page-4) for list of other documents to be supplied at the time of submission of respective claims.

10 Disbursement

- 10.1 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.
- 10.2 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.
- 10.3 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*) (**Upfront money**) within **30 days** from the date of signing of the Agreement between the Nodal Agency and the Project Entity and fulfilment of all requirements specified under the procedure/ guidelines for disbursement of funds from State PSDF.

Second Stage: 30% 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 as per sanction letter of the project. The release of 30% grant in respect of works under respective tranche(s) would be released after the Letter of Award has been issued by the project entity, agreement has been signed with the respective contractor (s) and 50% material has been received in the consignee's store of the Project Entity. (*Note: 01 no Tranche may include maximum of 05 Nos. of different works*).

Third Stage: 30% 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, which are required to be submitted by the project entity only after receipt of 90% (*Next 40%*) material awarded under respective LOA in the consignee's store of the Project Entity.

Final Stage: Balance 30% 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, which are required to be submitted by the project entity only after receipt of 100% material in the consignee's store of the Project Entity and 100% completion of work (s).

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.

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	List of documents	First Stage (10% of the approved Scheme cost)	Second/ Stage (30% of the eligible amount of works under respective Tranche)	Third/ Intermediate Stage (s) (30% 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:






**AGREEMENT
AMONGST
NODAL AGENCY OF STATE PSDF AND**

.....(Project Entity)

Clause No. 1.2 of the agreement may be read as:

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:

- a) **First Stage: 10%** of the sanctioned grant or **Rs. 10.00 Lakhs** (*Whichever is lower*) (**Upfront money**) within **30 days** from the date of signing of the Agreement between the Nodal Agency and the Project Entity and fulfilment of all requirements specified under the procedure/guidelines for disbursement of funds from State PSDF.
- b) **Second Stage: 30%** 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 as per sanction letter of the project. The release of 30% grant in respect of works under respective tranche(s) would be released after the Letter of Award has been issued by the project entity, agreement has been signed with the respective contractor (s) and 50% material has been received in the consignee's store of the Project Entity. (*Note: 01 no Tranche may include maximum of 05 Nos. of different works*).
- c) **Third Stage: 30%** 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, which are required to be submitted by the project entity only after receipt of 90% (Next 40%) material awarded under respective LOA in the consignee's store of the Project Entity.
- d) **Final Stage: Balance 30%** 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, which are required to be submitted by the project entity only after receipt of 100% material in the consignee's store of the Project Entity and 100% completion of work (s).



STATUS OF IMPLEMENTATION OF THE SCHEME FUNDED FROM PSDF

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):

- a. First instalment (10%)

(After signing of agreement and completion of all codal formalities):

Sr. No.	Requisition Date	Amount (Rs Lakhs)	Disbursement Date	Amount (Rs Lakhs)
1				

- b. Second instalment (30%): To be submitted by the Project Entity after the LOA has been issued by the project entity, agreement has been signed with the respective contractor (s) and 50% material has been received in the consignee's store of the Project Entity

Sr. No.	LOA details		Requisition date	Amount (Rs. Lakhs)	Award value accepted	Disbursement date	Amount (Rs. Lakhs)
	Date of LOA	Award value					
1							
2							

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c. 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)

- d. Third instalment (30%)** To be submitted by the Project Entity after receipt of **90% (Next 40%) material awarded under respective LOA in the consignee's store of the Project Entity**

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.

- e. Final instalment of 30%:** To be submitted by the Project Entity after receipt of 100% material in the consignee's store of the Project Entity and 100% completion of work (s) **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.				
3.				

Signature _____

Date:

Name:

Seal:

(Authorized representative)

