

No 30/69/2013-14/NSM
 Government of India
 Ministry of New and Renewable Energy
 (National Solar Mission)

Block 14, CGO Complex
 Lodhi Road, New Delhi
 Date: 21st December, 2015

OFFICE MEMORANDUM

Subject: Clarification regarding releasing of Viability Gap Funding (VGF) under EPC mode of 300 MW Defence scheme.

The undersign is directed to refer to the administrative approval of the scheme "Implementation of Scheme for setting up over 300 MW of Grid-connected & Off-grid Solar PV Power Projects by Defence establishments under ministry of Defence and Para military Forces (under MHA) with Viability Gap Funding (VGF) under Phase-II/III of JNNSM during 2014-15 and onwards"-and to state that section 3(viii) Detail procedure under EPC Mode,-(a) (page no-9) thereof stands clarifies as follows:

Existing Provision	Clarified version																		
<p>Detailed Procedure under EPC Mode: (a) Under EPC mode, the Defence Organisations may like to own the project and get it developed through an EPC contractor. VGF will be admissible if the contract is awarded through an open tender based on total price/cost of setting up and commissioning the project. VGF shall be released in 4 installments based upon the actual progress of project. The last installment of 25% of the VGF shall be released after successful commissioning of the project (CoD)</p>	<p>Detailed Procedure under EPC Mode: (a) Under EPC mode, the Defence Organisations may like to own the project and get it developed through an EPC contractor. VGF will be admissible if the contract is awarded through an open tender based on total price/cost of setting up and commissioning the project. VGF shall be released in 4 installments based upon the actual progress of project. The last installment of 25% of the VGF shall be released after successful commissioning of the project (CoD). VGF under EPC mode will be released as per following milestones:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">S.No</th> <th style="text-align: center;">Milestone</th> <th style="text-align: center;">% of subsidy disbursed</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Advance (after in-principle approval)</td> <td style="text-align: center;">25 %</td> </tr> <tr> <td style="text-align: center;">2</td> <td>After Tender award</td> <td style="text-align: center;">10 %</td> </tr> <tr> <td style="text-align: center;">3</td> <td>After 50 % of work done base on equipment/work. Work valuation to be done by SECI</td> <td style="text-align: center;">40 %</td> </tr> <tr> <td style="text-align: center;">4</td> <td>After successful commissioning of the project (CoD)</td> <td style="text-align: center;">25 %</td> </tr> <tr> <td colspan="2" style="text-align: center;">Total</td> <td style="text-align: center;">100 %</td> </tr> </tbody> </table>	S.No	Milestone	% of subsidy disbursed	1	Advance (after in-principle approval)	25 %	2	After Tender award	10 %	3	After 50 % of work done base on equipment/work. Work valuation to be done by SECI	40 %	4	After successful commissioning of the project (CoD)	25 %	Total		100 %
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2. This is issued with the approval of competent authority.

Sunil

(Sunil Kr Gupta)
Scientist-'D'/NSM
Fax: 011-24360764

To,

1) Shri V. K Singh, Deputy Director General, TMC& EM, Ordnance Factory Board
10-A, S.K. Bose Road, Kolkata-700 001

2) Dr. Ashvini Kumar, Managing Director, Solar Energy Corporation of India, D-3. 1st
Floor, Wing-A, Religare Building, District Centre, Saket, New Delhi-110017,

3) Cdr(Retd) T. Jagnath, GM(Components), Bharat Electronics Limited, (A Govt. of
India Enterprises), Ministry of Defence, Jalahalli Post, Bangalore, Pin-560013, India

4) Shri K. Venkateswara Rao, General Manager (TS), Bharat Dynamics Limited (A Govt.
of India Enterprise), Ministry of Defence, Kanchanbagh, Hyderabad-500058, A.P. India

Copy To,

- 1) PSO to Secretary, MNRE
- 2) PS to JS (TK), MNRE
- 3) PS to JS&FA, MNRE
- 4) Dir (tech), NIC for uploading in MNRE website