

No.30/5/2011-12/NSM
Government of India
Ministry of New and Renewable Energy

Block No. 14, CGO Complex,
Lodi Road, New Delhi,
Dated: February 29, 2012

To

The Pay & Accounts Officer
Ministry of New and Renewable Energy
New Delhi-110003

Subject: Capital subsidy Scheme to be implemented by NABARD through Regional Rural Banks and other commercial Banks for Solar Lighting Systems and Small Capacity PV Systems.

Sir,

I am directed to convey sanction of the President for implementation of the capital subsidy scheme by NABARD through Regional Rural Banks and other Commercial Banks for installation of 1,20,000 solar lighting systems and small capacity PV Systems with the MNRE funds of Rs.46.80 crore received from the National Clean Energy Fund, within a period of one year with effect from 15th March 2012. This Scheme will be applicable for the Solar lighting systems and other small capacity PV Systems for systems having module capacity from 10 Wp to 210 Wp as per details given in **Annexure-I**. The MNRE will release the aforesaid amount of Rs.46.80 crore in advance to NABARD for extending the subsidy to the Regional Rural Banks (RRBs) and other commercial Banks at the rates mentioned in the succeeding paragraph.

2. Under this scheme, the NABARD will extend the subsidy of 40% of the benchmark cost which is Rs.270/- per watt peak subject to a maximum of Rs. 108/- per watt peak, to the Regional Rural Banks (RRBs) and other commercial Banks, for purchase of solar lighting systems and other small capacity PV systems by individuals for the solar lighting systems as given in the Annexure-I. The RRBs and other Commercial Banks could extend loan for the balance cost of the systems at normal interest rates for the period decided by the RRBs or the Banks. While implementing this scheme, the NABARD will follow the minimal technical requirements and Quality Standards in respect of the off-grid SPV power plants/systems which are mentioned in Annexure-3 enclosed with this Ministry's Administrative Approval No.5/23/2009-10/P&C dated 8th July 2010 and the same is also available on the Ministry's website under link – JNNSM.

3. I am also directed to convey sanction of the President for release of an amount of Rs. 46.8 crores (Rs. forty six crores and eighty lakhs only) to NABARD for initiating the above Scheme, during current year 2011-12, for financing 1,20,000 solar lighting systems at the maximum rate of Rs.108/- per watt peak for the system.

Contd...2/-

4. The DDO, MNRE will draw an amount of Rs. 46.8 Crore (Rupees Forty Six Crore Eighty Lakh Only) from Pay and Accounts Officer MNRE and disburse the same to the National Bank for Agriculture and Rural Development (NABARD), Mumbai through ECS to their Bank Account No.8692974, IFSC Code RBISORBIPIO, MICR Code **400001001**, in the Reserve Bank of India, Mumbai.

5. As mentioned above, the Ministry is releasing an amount of Rs. 46.8 crores to NABARD in advance to extend the subsidy @ 40 % of the Benchmark cost of the solar lighting and small capacity power plants. NABARD will extend the subsidy in advance to the RRBs and other commercial Banks for extending the subsidy to the individuals for procuring the solar lighting systems and small capacity power plants. The provision of grant of subsidy of 40% of the Benchmark cost of the solar lighting and small capacity power plants has been made under this scheme which is specific to the funds received from the National Clean Energy Fund and will not impact the Ministry's 'Off-grid & Decentralized Solar Applications' Programme where rate of subsidy is only 30%.

6. NABARD will maintain and present their annual accounts in the Standard format as required under GFR 209 (xiii). These accounts shall be open for inspection by the sanctioning authority and Audit, both by the Comptroller and Auditor General of India under the provision of C & AG (DPC) Act 1971 and internal Audit Party by the Principal Accounts Office of the Ministry whenever called upon to do so.

7. NABARD will furnish the Utilization Certificate (UC) and audited Statement of Expenditure (SoE) in the prescribed formats enclosed at **Annexure-II** & **Annexure-III** respectively.

8. The Scheme will be reviewed by an Internal Review Committee of the Ministry at an interval of six months and modification therein would be incorporated by the Ministry.

9. NABARD will advise the RRBs and Commercial Banks to extend the subsidy for the solar lighting systems and small capacity PV systems for the supplies to be made by the MNRE short listed Manufacturers of the solar lights and small capacity PV systems available on the MNRE website.

10. The funds for its implementation would be met from the following budget provisions made in the current year's Budget 2011-12 (Plan):-

Budget Head	Budget Provision (Rs. in crores)
Demand No. 68, Major Head 2810-New and Renewable Energy, Sub Major Head 00, Minor Head 101-Grid Interactive and Distributed Renewable Power, Sub Head 02,-Off-Grid/ Distributed and Decentralized Renewable Power, Detailed Head 04-Solar Power, Object Head 31 grants-in-aid	RE - 416.80

11. The NABARD being a Government organization, no bond is required (other than 3601/3602/7601/7602) and covered under D category with reference to Controller of Accounts O.M. No PAO/MNRE/Sanction/2005-06 dated 11.07.2005.

12. The expenditure involved is debatable to Demand No. 68, Major Head 2810, New and Renewable Energy, Sub Major Head 00, Minor Head 101-Grid Interactive and Distributed Renewable Power, Sub Head 02,-Off Grid/Distributed and Decentralized Renewable Power, Detailed Head 04 Solar Power, Object Head 31 grant-in Aid during the year 2011-12 (plan).

13. This issues with the concurrence of IFD dated 24.02.2012 vide their Dy. No. IFD/2319/2011-12 dated 14.02.2012--

14. This sanction order has been noted in the Expenditure Register at S. No. 263 on page No.19 in the Expenditure Control Register of Off-Grid and Decentralized Solar Applications under JNNSM for the year 2011-12.

Yours faithfully,

(Dr. G. Prasad)
Director
Ph.:24361151

Copy to:

1. Managing Director, NABARD, Mumbai
2. The Principal Director of Audit, Scientific Department, DGCACR, New Delhi.
3. Shri Neehar Ranjan Pandey, Dy.Secy.(PF-II), Deptt. of Expenditure (M/o Finance), North Block, New Delhi w.r.t. his OM No.16(05)/PF-II/2010 dated 17.08.2011.
4. PS to Minister, NRE / PSO to Secretary, MNRE
5. JS(TK)/Dir(AR)/Dir(F)
6. Dir. (NIC) to upload this on the MNRE website.
7. US(SE)/SSO(TS)/SO(SPV)
8. Cash Section(2 copies)
9. Sanction file

(Dr. G. Prasad)
Director

ANNEXURE I

Technical and Financial parameters of pre-approved Models to be financed

Model	Photovoltaic modules / panels (Wp)	Battery capacity	Maximum recommended load and duty cycle	Max. capital subsidy eligible (Rs.)
I	10	12 V, 7 AH (SMF)	5-7 watt load for 3 to 4 hrs (20 watt hrs/day)	1080
II	18-20	12 V, 20 AH (Tubular L.M./Gel VRLA)	10 watt load for 4 hrs (40 watt hrs/day)	1944-2160
III	37-40	12 V, 40 AH (Tubular L.M./Gel VRLA)	20 watt load for 4 hrs (80 watt hrs/day)	3996-4320
IV	50	12 V, 60 AH (Tubular L.M./Gel VRLA)	30 watt load for 4 hrs (120 watt hrs/day)	5400
V	70-80	12 V, 80 AH (Tubular L.M./Gel VRLA)	45 watt load for 4 hrs (180 watt hrs/day)	7560-8640
VI	100	12 V, 120 AH (Tubular L.M./Gel VRLA)	60 watt load for 4 hrs (240 watt hrs/day)	10800
VII	125	12 V, 150 AH (Tubular L.M./Gel VRLA)	75 watt load for 4 hrs (300 watt hrs/day)	13500
VIII	150-160	24 V, 75/80 AH (Tubular L.M./Gel VRLA)	90 watt load for 4 hrs (360 watt hrs/day)	16200-17250
IX	200-210	24 V, 100/120 AH (Tubular L.M./Gel VRLA)	120 watt load for 4 hrs (480 watt hrs/day)	21600-22680

FORMAT FOR SUBMISSION OF UTILISATION CERTIFICATE

(To be submitted in duplicate)

S.No.	Letter No. & Date	Amount	
		(Sanctioned)	(Released)

TOTAL:

Certified that out of Rs. _____ of grants-in-aid released during the year _____ in favor of _____ under this Ministry/Department Letter No. given in the margin and Rs. _____ on account of unspent balance of the previous year, a sum of Rs. _____ has been utilized for the purpose of _____ for which it was sanctioned and that the balance of Rs. _____ remaining unutilized at the end of the year has been surrendered to Government (vide No. _____ dated)/ will be adjusted during _____ towards the grants-in-aid payable during the next year _____.

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned haven been dully fulfilled/are being fulfilled and that I have exercised the following check to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.
- 5.

Date: _____

Place: _____

Signature _____

Designation _____

Date: _____

Accountant

(To be countersigned by the Division Concerned)

Format for Statement of Expenditure (SoE)

(On the letterhead of Auditor)

Name of the State	
Implementing Agency	
Name of the Project	
Sanction no. & Date	
CFA sanctioned	
CFA released	

Details about completed project

S.no.	Type of the system installed	Capacity (kWp/No.)	Location	Total expenditure incurred	MNRE share (Rs.)	User share (Rs.)

Breakup of the project cost

S.no.	Item	Cost (Rs.)
1.	CFA @ ___ for the capacity_____ (kWp) of project	
2.	Service charges	
3.	Total eligible CFA	
4.	CFA released	
5.	Interest earned on released CFA	
6.	Total funds available	
7.	Balance amount to be released to MNRE/unspent amount to be returned to MNRE	

(Chartered Accountant)
Reg. No.