

F. No. 13/25/PMC/BM - 2010
Ministry of New & Renewable Energy

Block No. 14, CGO Complex,
Lodhi Road, New Delhi - 110 003
Dated: 15.11.2017

OFFICE MEMORANDUM

Subject: MNRE - UNDP/GEF Project No. 00051271 on Removal of Barriers to Biomass Power Generation in India - Extension of Project Duration upto 31st March 2018 - Reg.

A Meeting has been convened on **22nd November 2017(Wednesday) at 1500 hrs in the Chamber of Secretary MNRE** to discuss extension of duration of the above mentioned Project upto 31st March 2018 and action plan for its closure.

2. You are requested to kindly make it convenient to attend the meeting.
3. A line in confirmation about your participation will be highly appreciated.

V.K. Jain

(V.K. Jain)
Adviser

Tel: 011- 24369788
E-mail: jainvk@nic.in

To:

- i) Shri Sameer Kumar Khare, Joint Secretary (MI)/Shri Lekhan Thakkar, Director (MI), DEA, Ministry of Finance, New Delhi. Email : jsmi.dea@nic.in/lekhan.t@gov.in
- ii) Shri Jigmet Takpa, Joint Secretary/Shri Rakesh Kumar, Director, GEF-OFP/MoEF & CC, Indira Paryavaran Bhawan, New Delhi. Email : takpa.jigmet@gov.in/rakesh.68@gov.in
- iii) Ms. Marina Walter, Country Director(I/C)/ Dr. S.N. Srinivas, Programme Officer, UNDP, 55, Lodi Estate, New Delhi, Email: marina.walter@undp.org/
sn.srinivas@undp.org

Copy for information to :

- iv) PPS to Secretary, MNRE
- v) PPS to JS & FA
- vi) PS to JS(ANS)

F. No. 13/25/PMC/BM - 2010
Ministry of New & Renewable Energy

Block No. 14, CGO Complex,
Lodhi Road, New Delhi - 110 003

Dated: 08.09.2017

OFFICE MEMORANDUM

Subject: Model Investment Projects (MIPs) taken up under UNDP/GEF Biomass Power Project - Review of Status of Uncompleted MIPs - Regarding

Record Notes of discussion of the above mentioned review meeting held on 18th August 2017 in MNRE under the chairmanship of JS & NPD, MNRE is sent herewith for your kind information and further necessary actions.

2. It is also requested that Activities-wise Time Schedule for completion of the remaining project works may please be informed at the earliest, preferably before 15th Sept. 2017.

V.K. Jain

(V.K. Jain)
Adviser

E-mail: jainvk@nic.in

To:

- i) Shri Vithal Mahadev Gangaputra, Managing Partner, M/s Dee Vee, Plot No 31, KIADB Industrial Area, Kushalnagr, Coorg Karnataka. Email : vithalmahadev@gmail.com
- ii) Branch Manager/Senior Manager (Technical), Karnataka State Financial Corporation, L-8, Industrial Estate, Madikeri Email : murthykv.710@gmail.com
- iii) Shri VK Jain, Executive Director / Shri Ajay Sharma, GM , M/s Ruchi Soya Industries Ltd., Universal Trade Tower, 3rd Floor, Sector-49 Sohna Road, Gurgaon, Haryana, Email : vk_jain@ruchisoya.com, ajay_sharma@ruchisoya.com
- iv) Dr. R.R. Sonde, Executive Vice President / Shri A Krishnakumar, RTIC, M/s Thermax Limited, Chinchwad, Pune Email : R.Sonde@thermaxglobal.com; a.krishnakumar@thermaxglobal.com

Copy to :

- v) Shri S.K. Bhargava, Director (Finance), IREDA, 3rd Floor August Kranti Bhawan, Bhikaji Cama Place, New Delhi- 66 Email : skbhargava@ireda.gov.in
- vi) Ms. Marina Walter, Deputy Country Director/ Dr. S.N. Srinivas, Programme Officer, UNDP New Delhi. Email : marina.walter@undp.org, sn.srinivas@undp.org

Copy for information to :

- vii) PPS to Secretary, MNRE
- viii) PPS to JS & FA
- ix) PPS to JS(ANS)

Minutes of the Meeting held on 18.08.2017 in MNRE to Review Status of Two Uncompleted Model Investment Projects (MIPs) taken up under UNDP/GEF Biomass Power Project

A Meeting with the Project Developers along with their respective Financial Institution/Technology Supplier of 2 MIPs taken up under UNDP/GEF Biomass Power Project [viz. a) 2 MW Biomass based Decentralized Distributed Power Generation Plant at Kushalnagar, Distt. Kodagu, Karnataka by M/s Dee Vee Power; and b) 1MWe Captive Power Generation Plant based on Advanced Biomass Gasification Technology at Washim, Maharashtra by M/s Ruchi Soya Industries Ltd.(RSIL)] was held on 18.08.2017 to review current status of project implementation and action plan for completion of the remaining works, as per terms and conditions stipulated in the sanction of this Ministry. List of participants present in the meeting is given at **Annexure - I**. JS&FA couldn't attend the meeting due other important meeting in DST.

2. At the outset, Shri AN Sharan, Joint Secretary & NPD welcomed the participants. Thereafter, brief presentation highlighting current status of the project, investment made so far, reasons for delay, action plan for completion of the remaining works etc. was made by both the developers. A copy of the presentation is attached as **Annexure - II**.

3. Current status of the projects and suggestions made during the discussion are summarized below -

i) 2 MW Biomass based Decentralized Distributed Power Generation Plant at Kushalnagar, Distt. Kodagu, Karnataka by M/s Dee Vee Power

Shri MG Vithal of M/s Dee Vee Power and Shri Narasimha Murthy, Senior Manager (Technical), KSFC jointly made the presentation. They informed that the plant is based on combustion of coffee husk and electricity produced would be evacuated to 11 KVA grid of local utility-CESC (Chamundeshwari Electricity Supply Corporation Ltd.), Mysore. Total investment made in the project, as on 01.05.2017, is Rs 1022.42 lakh against the initial cost of Rs 1216 lakh, appraised by Karnataka State Financial Corporation (KSFC), which has now escalated to Rs. 1416 lakh. Sanctioned term loan of Rs 500 lakh by KSFC and MNRE part financial assistance of Rs 200 lakh, besides developer equity of Rs 316, has already been used for procurement of plants & machineries, associated civil works and for payment of interest during implementation etc.

Shri Murthy also confirmed that all required plant & machinery is available at site, foundations and other associated civil works is also complete. An amount of about Rs 120 lakh is required to be paid to the boiler & turbine suppliers and other vendors before they complete the erection of boiler, turbine, electrical & piping works etc. The plant can be completed and commissioned within 2 months if the contractors are paid immediately. However, developer expressed his inability to bring in more funds and requested MNRE to relax the release conditions mentioned in the sanction.

After detailed discussion on current status of the project, developer and KSFC

were advised to mobilize the required funds immediately. The remaining MNRE financial assistance of Rs 200 lakh will be considered at the earliest on achieving the stipulated milestones mentioned in the sanction of this Ministry.

ii) 1MWe Captive Power Generation Plant based on Advanced Biomass Gasification Technology at Washim, Maharashtra by M/s Ruchi Soya Industries Ltd.(RSIL)

Shri VK Jain, Executive Director, RSIL and Chaitanya B Mitra Principal Technologist Thermax Ltd jointly made the presentation. They informed that plant has been fully erected and the gasifier and gas clean up system was operated for about 19 hrs in Feb – March 2017 due to limited availability of soya stalks at RSIL. Single engine was operated for power generation for 4.5 hrs and electricity generated was dissipated in a power bank due to shut down of operation in RSIL. Quality of syngas in terms of its composition was good and pollutants were within the permissible limits.

They also informed that power plant operation will be restarted by end of August 2017 and performance data, as required, will be submitted to the Ministry. RSIL also agreed to extend the validity of BG of Rs 27 lakh for a period of 6 months i.e. upto 31st March 2018.

After detailed discussion on current status of the project, RSIL and Thermax were advised to submit data of plant performance on fortnightly basis and the remaining MNRE financial assistance of Rs 90 lakh will be considered on achieving the stipulated milestones mentioned in the sanction of this Ministry.

The meeting ended with a vote of thanks to the chair.

MINISTRY OF NEW AND RENEWABLE ENERGY

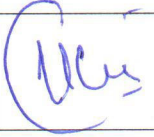


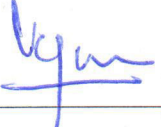


**Model Investment Projects (MIPs) taken up under UNDP/GEF Biomass Power Project
- Review of Status of Uncompleted MIPs-**

VENUE: MNRE Committee Room

DATE: 18.08.2017

Room No. - 002

TIME : 1500 Hrs

| S. No. | Name, Designation & Organization | Phone/ Fax / Email | Signature |
|--------|--|--------------------|---|
| 1 | Vithal-G Dev Ver power | 9449822702 |  |
| 2 | Navasimha Purthy KV S.M.T.), ICSEFC | 9972004429 |  |
| 3 | Dr. S. N. SRINIVAS PA, UNDP, | 9818844798 |  |
| 4 | V K JAIN ED. | 9810067851 |  |
| 5 | S. K. Bhargava. D(P), DRESA. | 9810705376 |  |
| 6 | C B Mittal Theomax | 9823697079 |  |
| 7 | | | |
| 8 | | | |
| 9 | | | |

F No - 10/21/PMC/BM-2009
Ministry of New & Renewable Energy

Block No. 14, CGO Complex,
Lodhi Road, New Delhi - 110 003

Dated: 16.06.2017

OFFICE MEMORANDUM

Project Title: MNRE - UNDP/GEF assisted Project (No. 00051271) on Removal of Barriers to Biomass Power Generation in India - Extension of Project Duration upto Sept. 2017 - Reg.

As you are aware, this Ministry is implementing above mentioned Project through a Project Management Cell (PMC) established in the Ministry. The project was commenced in April 2007 for a period of 3 years which was subsequently extended upto 31st March 2016 with the approval of DEA, communicated vide letter no. 17/17/94 -FB-VIII dated 3rd July 2014 (copy enclosed as **Annexure - I**).

2. In the recent review meeting convened by GEF-OFP on 28th March 2017, it was suggested that actions for closure of the project may be completed within 3 months. However, considering the current status of on-going activities and other GEF requirements for closure of Project, a realistic time schedule for completion of various activities has been worked out and is summarized below -

- i) Terminal Evaluation of the Project (TEP) - hiring of International and National Consultants by UNDP for 25 working days assignment is currently in process and final report, therefore, can be expected by 1st week of August 2017 [**Action by - UNDP**];
- ii) Completion of Ongoing MIPs - 2 Model Investment Projects (MIPs) namely - 1MW biomass power plant based on advanced gasification technology by M/s Ruchi Soya Industries Ltd. (RSIL) at Washim, Maharashtra; and 2 MW power plant based on combustion of coffee husk by M/s Dee Vee Power at Kushalnagar, Karnataka have been installed and trial run/commissioning is over in case of project at RSIL while other project of Dee Vee, it will be completed by 2nd week of July 2017. However, performance monitoring and evaluation of these projects for a period of 3/6 months to make them eligible for release of 4th installment of grant (RSIL - Rs. 54 lakh and Dee Vee - Rs. 120 lakh), as stipulated in the respective sanctions (enclosed as **Annexure - II**), may not be possible unless the present condition is relaxed or project duration is suitable extended. [**Action by - PMC/MNRE**];
- iii) Follow up actions, if any, on the UNDP Auditor's Report of recently completed Management Audit which is awaited; [**Action by - UNDP**];

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- iv) Submission of details of expenditure directly made by UNDP, including the fee paid to the consultants for TEP to MNRE for its reimbursement to CAAA. PMC/MNRE also require time for processing the proposal for approval before affecting transfer of funds to CAAA [**Action by – UNDP & PMC/ MNRE**];
- v) Payment of fund handling fee to IREDA (Fund Handling Agency) and closing of Project Accounts by IREDA [**Action by – PMC/MNRE**]; and
- vi) Services of 2 project staff extended for 2 months, as decided in the review meeting held on 28th March 2017, has already been discontinued w.e.f. 1st June 2017

3. In view of the above, it is requested that project closure date as 30th Sept. 2017 instead of 30th June 2017 suggested in the review meeting may kindly be agreed to before the request is sent to DEA for approval on extension of the project duration by 18 months i.e. up to 30th Sept. 2017, including ex-post facto approval for the period from 1st April 2016 to 31st May 2017.

Yours faithfully



VK Jain
Adviser &NPC

Copy to:

- i) Shri BN Sinha, Joint Secretary / Shri Rakesh Kumar, Director, GEF-OFP/MoEF & CC, Indira Paryavaran Bhawan, New Delhi. Email : bnsinha@gov.in/bsina92@gmail.com/rakesh.68@gov.in
- ii) Ms. Marina Walter, Deputy Country Director, UNDP, 55, Lodi Estate, New Delhi, Email: marina.walter@undp.org

ANNEXURE-I.

F. No. 17/17/94-FBVIII
Government of India
Ministry of Finance
(Multilateral Institutes Division)

North Block, New Delhi
Dated the 3rd of July, 2014

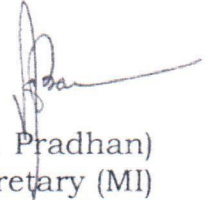
OFFICE MEMORANDUM

Subject: Project No. 00051271-Removal of Barriers to Biomass Power Generation in India

The undersigned is directed to refer to D.O. Letter 10/21/PMC/BM-2009 dated 18.03.2014 on the above mentioned subject.

2. In this regard the Department of Economic Affairs concurs with the project extension duration for two years i.e. upto 31st March, 2016.

Dir (V&S)
A
7/7/14



(A.K. Pradhan)
Under Secretary (MI)
Tel: 23095087

To:

Shri. Alok Srivastava, JS, MNRE
Block No. 14,
CGO Complex,
Lodi Road,
New Delhi-110003
Email-srivastava.alok@nic.in

Copy to: Shri Shashi Shekhar, AS, MoEF, Block No. 4, CGC Complex New Delhi

J. Secretary, MNRE
Dy. No. E-797
IN
OUT 7/7/14

भारत सरकार

नवीन और नवीकरणीय ऊर्जा मंत्रालय

Government of India

MINISTRY OF NEW AND RENEWABLE ENERGY

ब्लॉक नं. 14, केन्द्रीय कार्यालय परिसर, लोदी रोड, नई दिल्ली-110003

BLOCK NO. 14, C.G.O. COMPLEX, LODI ROAD, NEW DELHI - 110 003

Fax : 011-24361298

Telegram: RENEWABLE

सं.

No. 13/28/PMC /BM-2011

दिनांक

Dated 07.05.2012

Managing Director

M/s Ruchi Soya Industries Ltd.

Universal Trade Tower, 3rd Floor, Sector 49

Gurgaon Sohna Road

Gurgaon - 122018, Haryana

Subject: Establishment of 1 MWe Demonstration Plant based on Advanced Biomass Gasification Technology at M/s Ruchi Soya Industries premises at Washim, Maharashtra by Thermax Ltd. - Financial Assistance - Reg.

Sir,

I am directed to convey sanction of the Project Management Cell (PMC) established in the Ministry for grant of Rs 180 lakh (Rs 150 lakh for setting up the plant and Rs 30 lakh for creation of infrastructure for fuel supply linkages) under **UNDP / GEF assisted Project on "Removal of Barriers to Biomass Power Generation in India"** for setting up of above mentioned project by M/s Ruchi Soya Industries Ltd. (RSIL) subject to the following terms and conditions :-

- i) **M/s RSIL** will setup 1 MWe plant based on Fluidized Bed Gasification Technology developed by Energy Research Centre (ECN) of the Netherlands with **M/s Thermax Ltd., Pune** as Technology Partner in their premises located at Washim , Maharashtra.
- ii) The financial assistance (grant) from PMC under GOI/ MNRE-UNDP / GEF Project will be limited to Rs. 180.00 lakh with GOI / MNRE and UNDP / GEF contribution as under :
 - GOI / MNRE contribution : Rs. 135 lakh
 - UNDP / GEF contribution : Rs. 45 lakh
- iii) The balance of total estimated project cost of Rs. 1350 lakh would be shared by M/s Thermax Ltd. and M/s RSIL as follows -
 - M/s Ruchi Soya Industries Ltd. Rs. 600 lakh
 - M/s Thermax Ltd. Rs. 570 lakh

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- iv) In case, the total project cost exceeds the estimated cost of Rs. 1350 lakh, the required additional funds would also be met by M/s RSIL and / or M/s Thermax Ltd, Pune.
- v) **M/s RSIL** will be responsible for ensuring that the Plant Performance Guarantee (PPG) (PLF > 85 %, carbon conversion > 95 %, Gross Power 1000 kW) as committed by **M/s Thermax Ltd., Pune** vide letter dated 19th March 2012 is demonstrated at the time of final project evaluation after the successful commissioning of the plant.
- vi) **M/s RSIL** would ensure that all Plant and Machinery for the project supplied by M/s Thermax Ltd. and other related civil works is as per drawings and specifications approved by ECN and agreed by M/s RSIL.
- vii) **M/s RSIL** will be solely responsible for obtaining all statutory clearances / approvals as may be required from the State Govt. / State Nodal Agency for setting up of Advanced Biomass Gasification based power plant at its premises in Washim, Maharashtra.
- viii) **M/s RSIL** has to complete the project within 12 months (8 months for execution and 4 months for commissioning) from the date of issue of this letter.
- ix) **M/s RSIL** will maintain a separate Project Account for the funds released by PMC in respect of the project and will also submit audited "**Statement of Expenditure (SOE)**" along with copy of the supporting documents – purchase orders, proof of payment etc and **Utilization Certificate (UC)** on the prescribed format (enclosed as **Annexure –II**) before release of the next installment and final SOE and UC within a month upon completion of the Project.
- x) The assets created out of grant from PMC shall continue to remain the property of GOI / MNRE and UNDP / GEF in proportion to grant amount released and the same should not be put to any alternative use or disposed off by **M/s RSIL without** the permission of PMC. An Affidavit to this effect is required to be submitted on a non judicial stamp paper of Rs. 10/- as per prescribed format given at **Annexure - III**.
- xi) **M/s RSIL** will have to submit a quarterly technical progress report during execution of the project and also the performance data of the project including its economic viability for a period of one year after commencement of its commercial operation.

V. J. J. J.

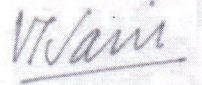
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- xii) This is further subject to General Terms and Conditions governing Government of India grant as given at **Annexure –IV**.
2. A **Project Implementation Committee (PIC)** having representation of PMC, UNDP, RSIL, Thermax and / or any independent expert / consultant will be constituted by the PMC to oversee and monitor execution of the project and for recommending policy decisions.
3. The schedule for release of financial support will be as under:
- Release of 15% of the total eligible financial assistance along with the sanction on submission of Bank Guarantee (BG) of equivalent amount valid for a period of 18 months along with copy of the purchase order placed / agreement signed with Thermax Ltd, Affidavit, plant layouts, specifications of critical units and revised implementation schedule;
 - 35% of the eligible financial assistance towards plant & machinery on submission of proof for delivery of the same at site and inspection by a team having representation from PMC & UNDP. In case of civil works, this 35% may be split in two equal installments, if requested by the developer;
 - 20% of the eligible financial assistance on completion of erection and commissioning of the plant; and
 - The balance 30% eligible financial assistance on successful operation of the project and the Plant Performance Guarantee (PLF > 85 %, Carbon Conversion > 95 %, Gross Power 1000kW) for a period of atleast 6 months and completion of the project evaluation by PMC.
4. Sanction of PMC is also accorded for release of 1st installment of **Rs. 27 lakh (Rupees Twenty Seven Lakhs Only)** on submission of Bank Guarantee of equivalent amount valid upto 18 months along with other documents (Affidavit, copy of purchase order, agreement, Implementation Schedule etc.)
5. The Expenditure involved will be debited to the respective **Budget Lines – GOI /MNRE share under the Head Grant – in – Aids (Contingent Financing for MIPs); and UNDP/GEF share under the Head - MIPs.**

V. S. Saini

6. This issues with the approval of the Chairman, PSC vide Diary No. 337 dated 30.04.2012.

Yours faithfully,



(V.K. Jain)

Director & NPC

Telefax : 011-24369788

E-mail : jainvk@nic.in

Copy to:

- i) Shri Srinivasan Iyer, ACD & Head (E & E Unit), UNDP, Lodhi Road, New Delhi-03;
- ii) Director (Finance), Indian Renewable Energy Development Agency Ltd., 3rd Floor, August Kranti Bhawan, Bikhaji Cama Place, New Delhi – 110066;
- iii) Shri VK Jain, Director, Ruchi Soya Industries Ltd., Gurgaon – 122018;
- iv) Dr. RR Sonde, Executive Vice President, R.D Aga Research, Technology and Innovation Centre,d-13, MIDC Industrial Area , Chinchwad Pune 411019;
- v) PSO to Secretary, MNRE & Chairman PSC;
- vi) PS to JS, MNRE and NPD;
- vii) Sanction Folder / Project File.

भारत सरकार

नवीन और नवीकरणीय ऊर्जा मंत्रालय

Government of India

MINISTRY OF NEW AND RENEWABLE ENERGY

ब्लॉक नं. 14, केन्द्रीय कार्यालय परिसर, लोदी रोड, नई दिल्ली-110003
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Fax : 011-24361298

Telegram : RENEWABLE

सं.

No.

13/25/PMC/BM-2010

दिनांक

Dated

19.03.2013

Shri Vithal Mahadev Gangaputra

Managing Partner

M/s Dee Vee Power

Plot No 31, KIADB Industrial Area

Kushalnagr, Coorg, Karnataka 571234

Subject: Establishment of 2 MW Biomass based Decentralized Distributed Power Generation Plant at Kushalnagar, Distt. Kodagu in Karnataka by M/s Dee Vee Power - Sanction of Financial Assistance under UNDP/GEF Biomass Power Project - Reg.

Sir,

I am directed to refer to your proposal submitted, vide letter no. 'Nil' dated 12.03.2010, in response to the advertisement dated 29.01.2010 for inviting Expression of Interest (EOI) and subsequent presentation on 29.06.2010 in the Ministry on the above-mentioned model project and to convey the sanction of Project Management Cell (PMC) established in the Ministry for the grant of **Rs 400 lakh (Rupees Four Hundred Lakh Only)** for establishing the 2 MW power generation plant by M/s Dee Vee Power under **UNDP - GEF assisted Project on "Removal of Barriers to Biomass Power Generation in India"** subject to the following conditions -:

- i) M/s Dee Vee Power will set up above power plant based on combustion of Coffee Husk at Kushalnagar, Distt. Kodagu in Karnataka and evacuate electricity so produced to the 11 KVA grid of local utility - CESC, Mysore (Chamundeshwari Electricity Supply Corporation Ltd. Mysore).
- ii) The total estimated project cost as per DPR and Validation cum Verification Report prepared by the consultant - M/s Power Tech Consultants, Odisha is **Rs 1100.00 lakh**. However, any increase in cost while implementing the project as per scope of work described in the DPR will be borne by M/s Dee Vee Power.
- iii) The financial assistance (grant) from PMC under UNDP / GEF Biomass Power Project will be limited to Rs 400 lakh with GOI / MNRE and UNDP / GEF contribution as under:

- GOI / MNRE contribution : Rs 300 lakh
- UNDP / GEF contribution : Rs 100 lakh

- iv) Obtaining all statutory clearances / approvals required from the State Govt. / State Agencies for setting up the said plant and identification of suppliers for various Plant & Machinery for the project will be the sole responsibility of M/s Dee Vee Power.
 - v) M/s Dee Vee Power could procure all Plant & Machinery for the project at competitive rates from the reputed manufacturers directly and / or through their authorized distributors and civil works through Govt. approved contractors.
 - vi) M/s Dee Vee Power would ensure that their counterpart funds are also released and utilized as per disbursement requirements and commensurate with the release of financial assistance from PMC and the progress of work.
 - vii) M/s Dee Vee Power will maintain a separate Project Account for the funds released by PMC in respect of the project and will also submit audited "**Statement of Expenditure (SOE)**" along with copy of the supporting documents - purchase orders, drawings & estimates of civil works, proof of payment etc. and **Utilization Certificate (UC)** on the prescribed format (enclosed as **Annexure -I**) before release of the next installment and final SOE and UC within a month upon completion of the Project.
 - viii) The assets created out of grant from PMC shall continue to remain the property of GOI / MNRE and UNDP / GEF in proportion to grant amount released and the same should not be put to any alternative use or disposed off by M/s Dee Vee Power without the permission of PMC. An Affidavit to this effect is required to be submitted on a non judicial stamp paper of Rs. 10/- as per prescribed format given at **Annexure -II**.
 - ix) M/s Dee Vee Power will have to submit a quarterly technical progress report during execution of the project and also the performance data of the project including its economic viability for a period of 1 year after commencement of its commercial operation.
 - x) This is further subject to General Terms and Conditions governing Government of India grant as given at **Annexure -III**.
2. A **Project Implementation Committee (PIC)** will be constituted by the PMC to oversee and monitor execution of the project and for recommending policy decisions.
3. The schedule for release of financial support will be as under:
- Release of 15% of the total eligible financial assistance along with the sanction on submission of Bank Guarantee (BG) of equivalent amount valid for a period 12 months;

- 35% of the eligible financial assistance towards plant & machinery on submission of proof for delivery of the same at site and inspection by a team constituted by PMC. In case of civil works, this 35% may be split in two equal instalments, if requested by the developer;
 - 20% of the eligible financial assistance on completion of erection and commissioning of the plant; and
 - The balance 30% eligible financial assistance on successful operation of the project for a period of atleast 3 months and completion of the project evaluation by PMC.
4. Sanction of PMC is also accorded for release of 1st installment of **Rs 60.00 lakh (Rupees Sixty Lakh Only)** on submission of Bank Guarantee of equivalent amount valid upto 12 months alongwith other documents (Affidavit, Copy of Purchase Orders, Implementation Schedule etc.)
5. The Expenditure involved will be debited to the respective **Budget Lines - GOI /MNRE share** under the **Head Grant - in - Aids (Contingent Financing for MIPs)**; and **UNDP/GEF share** under the **Head - MIPs**.
6. This issues with the approval of the Chairman, PSC vide **E-diary/JS (AS)** dated 18.03.2013.
7. The expenditure has been entered in the expenditure register at Sl. No. 9 Page No 1 of GOI/MNRE Rupees Account, maintained by PMC.

Yours faithfully,

(V.K. Jain)
 Director & NPC
 Telefax : 011-24369788
 E-mail : jainvk@nic.in

Copy to:

- i) Shri Srinivasan Iyer, ACD & Head (E & E Unit), UNDP, Lodhi Road, New Delhi-03;
- ii) Director (Finance), Indian Renewable Energy Development Agency Ltd., 3rd Floor, August Kranti Bhawan, Bikhaji Cama Place, New Delhi - 110066;
- iii) Branch Manager, Karnataka State Financial Corporation, L- 8, Industrial Estate, Madikeri- 571201;
- iv) PSO to Secretary, MNRE & Chairman PSC / PS to JS, MNRE and NPD; and
- v) Sanction Folder / Project File.

V.K. Jain