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कार्यकारी निदेशक, आरईसी लि.  
मुख्य कार्यपालक अधिकारी, आरईसी पीडीसीएल  
**Dr. Dinesh Arora, IAS**  
Executive Director, REC Ltd.  
Chief Executive Officer, RECPDCL



**रूरल इलेक्ट्रीफिकेशन कारपोरेशन लिमिटेड**  
**Rural Electrification Corporation Limited**  
(भारत सरकार का उद्यम) (A Government of India Enterprise)

No. REC/RGGVY/XII Plan/2014/4206  
Date: 20.08.2014

To,

MDs/CMDs,  
All PIAs

*Dear Sir,*

As you are kindly aware, Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) has been continued for XII Plan and we are in the phase of award process of XII Plan projects. In many states, projects have already been awarded. After various consultative workshops with all stakeholders, guidelines for XII Plan projects were finalized and circulated to you post approval by Monitoring Committee. In order to implement the projects effectively, the expectations from PIAs for execution of turnkey contracts have been consolidated and enlisted hereunder:

- 1. Dedicated Project Management Services:** Monitoring Committee under RGGVY has approved policy guidelines for deployment of dedicated teams at project site and discom's HQTRs. In this policy, manpower structures, office structures, vehicles along with roles and responsibilities assigned are defined. Further, disbursement of PIA administration charges is linked with deployment of Project Management Services. Policy guidelines are uploaded on RGGVY web portal.  
  
It is requested to adhere to the policy guidelines in all projects which are to be awarded/awarded under XII Plan. It is also requested to assigned delegation of power to members of teams.
- 2. Third Party Inspection Agency (TPIA):** while sanctioning RGGVY schemes under XII Plan, provision for 3 tier quality assurance mechanism were kept by MoP. In this matter, it is requested to deploy Third Party Inspection Agencies (TPIAs) for materials inspections as well as for village inspections. A list of reputed government agencies has already been provided to you. You may further add up state level PSUs/reputed govt. inspection/training/govt. Engineering colleges etc. However, they shall have to execute the works on their own, deploying their own staff. They shall not be permitted to offload or appoint sub-contractor for part or full assignment.
- 3. Sharing with the experience of other states in expediting execution period of RGGVY works, following best practices may be adopted:**
  - a. Approval of sub-vendor, engineering drawing & GTP:** Project implementation agency shall upfront intimate through its web-portal, approved GTP of various items, approved engineering drawings and approved list of sub-vendors under XII Plan RGGVY projects. Any addition in above approved list

shall be added as when approved. The list must be comprehensive covering approved vendors of all the DISCOMs of the State. The turnkey agency who wish to take services of any of the approved vendors, approved drawings or approved GTP shall not require to take fresh approval.

- b. **Bank Guarantees:** It is requested to assign responsibilities of handling project wise bank guarantees by an officer of senior level. He shall be entrusted with the responsibilities of verification of BGs independently from issuing banks, keeping them validate. He shall solely be responsible for issuance of BG's time extension request before their expiry. While issuing request for time extension, notice for encashment should also be issued. In case contractor does not wish to extend the guarantee, option for encashment of BG may be used if works under the contract are not completed. Proper safe & secure arrangement for BGs is to be made.
- c. **Handing over of assets:** In order to minimize the gap between creation of assets by contractor and its energisation/handing over by utility, contracting agency may be advised to submit digital photographs in soft copies of each and every support structures along-with submission of completion report. It would give more confidence to DISCOM officer concerned in either directing contractor to attend incomplete works or in immediate start of inspection and measurement works. It would save time in assets handing over/energisation.
- d. **Electrical Inspector's Inspection:** It order to reduce gap between submission of request and inspection thereof by State Electrical Inspectorate officer, it is suggested to authorize DISCOM officials through gazette notifications to inspect and accept the electrical works on part of State Electrical Inspectorate. The licensee fee may be exempted for RGGVY works as already been done in few states.
- e. **Contract Review Meeting:** It is emphasized to conduct monthly contract review meeting with senior most officers of turnkey contractor at their headquarters to discuss three months rolling plan of mobilisation of materials, manpower, progress etc including discussions on various issues, payments, obstructions etc. including review of progress of mobilisation and physical execution of works in past few months.
- f. **Targets for PIA's own officers:** it is requested to assign similar targets that of turnkey contractor under RGGVY works to officers looking after RGGVY works through Key Performance Tasks / Key Performance Area. The performance of officers needs to be evaluated in commensuration with physical progress achieved.
- g. **Payments to contractor:** The processing of payment should be ensured within 7 days of receipt of bills and it shall be processed in finance division in 2 days. Also, if processing is taking too much time, to ensure liquidity of funds with the contractor alternative way like un-measured bill may be accepted. In this method, quantum of works is certified by Engineer-in-charge jointly with

contractor and tentative eligible amount of such works are computed as per approved payment terms. Its 50% amount can be released to the contractor immediately within 2 days to provide liquidity of funds. Next bill of the work shall invariably be a measured bill in which, details of unmeasured bills' items and new items can also be included and processed for payment.

- h. **Up-dating of DPRs:** The recast DPRs are to be uploaded in RGGVY web-portal along-with village wise single line diagram of existing assets and assets proposed under the XII Plan project.
- i. **Monitoring and timely remedial action:** The projects must be monitored monthly with reference to mutually agreed schedule jointly signed by contractor and PIA. In case agency is delaying the progress in first 6-months period, notice is to be issued to the agency. If agency is failed to cover-up the delay in next 6-months, termination notice may be served to the agency.

While dealing firmly with the agency, responsibilities of various level officers may be fixed for timely release of fronts, timely release of approval, timely joint measurements, timely compliance to 3-tier monitoring observations, timely release of payment and timely energisation & taking over of assets. Any dispute, raised by the firm needs to be resolve at project site within a week's time, if not so, the same may be escalated to central team to get it resolved in a month time. Issues, not resolved by central team may further be escalated to state level co-ordination committee immediately.

I may, therefore, request you to adhere to above guidelines for timely and effectively execution of RGGVY projects for larger interest.

*With kind regards,*

Yours sincerely,



(Dr. Dinesh Arora, IAS)  
Executive Director (RGGVY)