

Dated, 11th October, 2017

OFFICE MEMORANDUM

**Subject: Pradhan Mantri Sahaj Bijli Har Ghar Yojana - Saubhagya
(सौभाग्य).**

Keeping in view the role of electricity in human and socio-economic development, Government of India has formulated a scheme to ensure last mile connectivity and electricity connections to all remaining un-electrified households in the country.

2. Sanction of the President is conveyed for the launch of **Pradhan Mantri Sahaj Bijli Har Ghar Yojana - Saubhagya (सौभाग्य)** to achieve universal household electrification in the country at a total cost of Rs. 16,320 crore including a Gross Budgetary Support (GBS) of Rs. 12,320.00 crore from Government of India during the entire implementation period. The details of cost estimate are enclosed at **Annexure-I (Page 6-7)**.
3. The objective of the scheme is to achieve universal household electrification by providing last mile connectivity and electricity connections to all households in rural and urban areas.
- 4 All DISCOMs including Private Sector DISCOMs, State Power Departments and Rural Electric Cooperative Societies shall be eligible for financial assistance under the scheme. States which have already taken up household electrification program on their own will also be eligible under the scheme from the date it comes into vogue, provided the scheme of State is aligned with Saubhagya and follows all guidelines of the scheme.
5. Funding Pattern:
 - (a) The states have been categorized in two groups (i) Special Category States (All North Eastern States including Sikkim, J&K, Himachal Pradesh, Uttarakhand); and (ii) Other than Special Category States (all other States).
The Union Territories (UTs) of Andaman & Nicobar Islands and



Lakshadweep have been also included in Special category for the purpose of funding pattern under this scheme only.

The financial support under the scheme shall be as under:

Sr. No.	Agency	Nature of support	Quantum of support (percentage of project cost)	
			Other than Special Category States	Special Category States
(i)	Govt. of India	Grant	60	85
(ii)	Utility/ State Contribution	Own Fund	10	5
(iii)	Loan (FIs/Banks)	Loan	30	10
(iv)	Additional Grant from Gol on achievement of prescribed milestones	Grant	50% of total loan component (30%) i.e 15%	50% of total loan component (10%) i.e. 5%
(v)	Maximum Grant by Gol (including additional grant on achievement of prescribed milestones)	Grant	75%	90%

(b) Minimum contribution by Utility(s) as indicated in Table above at Sr. No. (ii) shall be 10% (5% in case of Special Category States). However, Utility(s) contribution can go up to 40% (15% in case of Special Category States), if they do not intend to avail of the loan. In case the Utility(s) do not avail loan, the maximum eligible additional grant would still be 15% (5% in case of Special Category States) on achievement of prescribed milestones. The loan component can be availed from Rural Electrification Corporation Limited (REC) / Power Finance Corporation Limited (PFC) or from other Financial Institutions (FIs)/Banks as they desire, based on Detailed Project Report (DPR).

(c) States/UTs are required to complete the works of household electrification by 31st March 2019. However, additional grant as indicated above at Sr. No. (iv) (50% of loan component i.e. 5% for special category states and 15% for other states) under the scheme will be released subject to achievement of 100% household electrification of all willing households by 31st December 2018.

6. It is estimated that there would be about 300 Lakh un-electrified households to be sanctioned as detailed at **Annexure-II (Page 8)**. Non-poor urban households are excluded of this scheme.



7. The prospective beneficiary households under the scheme would be identified using SECC 2011 data with un-electrified households having at least one deprivation. The households not found eligible as per SECC data would also be provided electricity connection on payment of Rs. 500 per household which shall be recovered by the respective DISCOM/Power Department in ten (10) installments along with electricity bills. An amount equivalent to such recovery of applicable charges from the households shall be deducted from the eligible grant from GOI payable to the DISCOM/Power Departments as per this scheme. Such savings under the scheme, if required, would be utilized for expenditure within the scheme with the approval of the Monitoring Committee.

8. For the un-electrified households located in remote and in-accessible areas, Solar Photo Voltaic (SPV) based standalone systems with power packs of 200 to 300 Watt with battery back, maximum of 5 LED light, 1 DC Fan, 1 DC power plug along with repair and maintenance for 5 years would be provided.

9. The existing Monitoring Committee constituted for DDUGJY under the chairmanship of Secretary (Power) will be empowered to approve operational guidelines for the implementation of Saubhagya, release of funds and amend these guidelines including quantity and cost of various works from time to time within the overall approval granted by CCEA to facilitate faster and timely implementation. The Committee will also monitor implementation of the scheme.

10. The defaulters whose connections have been disconnected would not be given benefit of the scheme. Necessary safeguards would be made under the guidelines of the scheme.

11. Rural Electrification Corporation Limited (REC) would be the nodal agency for operationalization of the scheme. Additional expenditure on account of implementation of scheme would be reimbursed on actual basis to the Nodal Agency i.e. REC and that would be charged to contingencies provided in the scheme. Modalities will be finalized in the guidelines for implementation.

12. Monitoring mechanism as followed in DDUGJY shall be followed, including the institutional mechanism of DISHA. The District Administration would be closely involved in the implementation & regular monitoring of scheme. The existing web



