

No. 27/3/2017- APDRP  
Government of India  
Ministry of Power

Shram Shakti Bhavan, Rafi Marg,  
New Delhi Dated 07<sup>th</sup> May, 2018

OFFICE MEMORANDUM

**Subject: Continuation of "National Smart Grid Mission" (NSGM) beyond March, 2017 upto March, 2020-reg.**

In continuation with Ministry's earlier Order No. 20/13(2)/2009-APDRP dated 27.03.2015(copy enclosed), sanction of the Competent Authority is conveyed for continuation of National Smart Grid Mission (NSGM) beyond March 2017 for accelerating the Smart Grid Activities in India with estimated outlay of Rs 990 crore (GBS of Rs. 312 crore) for 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2020. The details of outlay and GBS are in the Annexure-I.

2. During the currency of NSGM in the above period, the implementation of Smart Grid projects shall be expedited and timelines adhered to so as to showcase the demonstrated benefits of these projects on ground. NSGM should continue its focus on sustainable deployment models of Smart Grids.

3. Considering that Smart Grids would supplement the efforts in Smart Cities, efforts would be made to initiate and complete Smart Grid Projects in the identified smart cities as well.

4. Other terms and conditions shall remain the same as approved for XII plan vide OM dated 27/03/2015 (copy enclosed).

5. This issues with the concurrence of Finance Branch of the Ministry of Power vice their Dy. No. 113/Fin/2018 dated 02.05.2018.

*See Co. Co.*  
*7/5/18*  
(G Swan Za'Lian)  
Under Secretary (IPDS)  
Tel: 23708051

**To**

1. Chief Secretaries of all States
2. Energy/Power Secretaries of all the State Governments
3. CMDs of State Power Utilities
4. Chairman & Managing Director, Power Finance Corporation Ltd., New Delhi.
5. CMD, PGCIL, Gurgaon.

**Copy to:**

1. Director, Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.
2. Ministry of Finance, Department of Expenditure (Director, Plan Finance Division-I), North Block, New Delhi.
3. Ministry of Finance, Department of Economic Affairs, North Block, New Delhi.
4. NITI Aayog, New Delhi.
5. Chairperson, Central Electricity Authority, R.K. Puram, New Delhi.
6. Finance/Budget Section, Ministry of Power, New Delhi.
7. Controller of Accounts, Ministry of Power, New Delhi.
8. Principal Director of Audit, Economic & Services Ministries, AGCR Building, I.P. Estate, New Delhi.
9. 14<sup>th</sup> Finance Commission, Ministry of Finance, 9<sup>th</sup> Floor, Jawahar Vyapar Bhavan, STC Building, New Delhi-110001.

**Copy also to:**

1. PS to Minister of State for Power (Independent Charge)
2. PPS to Secretary (Power)
3. PS to Joint Secretary (Dist) / JS&FA / All JSs.
4. US(Finance)/US(Budget), Ministry of Power
5. Director, NIC Cell, Ministry of Power with a request to upload the same on website of Ministry of Power.

**Annexure-I****Estimated Expenditure Outlay for April, 2017 to March, 2020**

(Rupees in Crore)

Sl.	Activity	Outlay	Budgetary Support	2017-18	2018-19	2019-20
A	Development of 10 Smart Grid Projects (incl. 4 Ongoing Projects)	938	281 (30% of project cost as grant)	63	136	82
B	Development of Micro Grids in Medium Sized Pockets	30	9 (30% of project cost as grant)	2	3	4
C	Training and Capacity Building incl. Funding to SGKC and Consumer Engagement etc.	7	7 (100% cost as grant)	1	3	3
D	NSGM Establishment and O&M etc.	15	15 (100% cost as grant)	3	5	7
	<b>Total</b>	<b>990</b>	<b>312</b>	<b>69</b>	<b>147</b>	<b>96</b>

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No. 20/13(2)/2009- APDRP  
Government of India  
Ministry of Power

Shram Shakti Bhavan, Rafi Marg,  
New Delhi, Dated 27 March, 2015

OFFICE MEMORANDUM

**Subject: "National Smart Grid Mission" (NSGM)**

Sanction of the President of India is hereby conveyed for establishment of a National Smart Grid Mission (NSGM) in Power Sector to plan and monitor implementation of policies and programmes related to Smart Grid activities in India. NSGM will be housed under Ministry of Power (MoP) considering the fact that most of the prominent stakeholders (DISCOMs, Regulators, Electrical Manufactures, Central Electricity Authority etc.) for Smart Grid are associated with MoP. Other concerned Ministries like Ministry of New and Renewable Energy (MNRE), Ministry of Urban Development (MoUD) and Ministry of Heavy Industry (MoHI) would also be associated with the Mission.

2. The total estimated cost for all the projects and NSGM activities for 12<sup>th</sup> Plan is Rs 980 crore including a budgetary support of Rs 338 crore. Details are given in **Annexure-I**.

3. It is important to note that Smart Grid is a dynamic and evolving concept due to constant technological innovations. Therefore, the objectives, structure and functioning of NSGM must be such as to allow sufficient freedom and flexibility of operations without needing to refer the matter to different Ministries / Agencies frequently. Accordingly, NSGM will have a three tier structure (**Annexure-II**). Details are as follows:

a) At the apex level, NSGM will have a Governing Council headed by the Minister of Power. The structure and membership of the Council is at **Annexure-III**. The Governing Council will have necessary functional and financial autonomy within the overall budgetary allocation for meeting its objective of rolling out Smart Grid operations in different parts of the country. Towards this end, the Council will carry out the following functions:

- (i) To approve policies and programme for smart grid implementation in the country.
- (ii) To approve the administrative and financial procedures from time to time for the effective functioning of NSGM
- (iii) To approve the annual budget of NSGM
- (iv) To cause the audit to be done and to adopt the audited accounts.
- (v) To review the implementation of NSGM's policies and programmes.
- (vi) To take such other steps for meeting NSGM's objectives as are considered necessary, within the overall approval.

The Council will meet on a half yearly basis.

b) At the second level, the NSGM will have an Empowered Committee headed by Secretary (Power). The structure and membership of the Empowered Committee is at **Annexure-IV**. The Empowered Committee will carry out the following functions:

- (i) To provide policy input to Governing Council
- (ii) To approve specific Smart Grid projects and subsequent revisions/ modifications.