



towards a Greener future...



47th Annual Report 2015-16

MISSION/VISION & OBJECTIVES

MISSION/VISION

- (i) To facilitate availability of electricity for accelerated growth and for enrichment of quality of life of rural and urban population.
- (ii) To act as a competitive, client-friendly and development oriented organization for financing and promoting projects covering power generation, power conservation, power transmission and power distribution network in the country.

OBJECTIVES

In furtherance of the Mission, the main objectives to be achieved by the Corporation are:

1. To promote and finance projects aimed at integrated system improvement, power generation, promotion of decentralized and non-conventional energy sources, energy conservation, renovation and maintenance, power distribution with focus on pumpset energisation, implementation of Deendayal Upadhyaya Gram Jyoti Yojana, a Government of India scheme for rural electricity infrastructure and household electrification.
2. To expand and diversify into other related areas and activities like financing of decentralized power generation projects, use of new and renewable energy sources, consultancy services, transmission, sub-transmission and distribution systems, renovation, modernization & maintenance etc. for optimization of reliability of power supply to rural and urban areas including remote, hill, desert, tribal, riverine and other difficult/remote areas.
3. To mobilize funds from various sources including raising of funds from domestic and international agencies and sanction loans to the State Electricity Boards, Power Utilities, State Governments, Rural Electric Cooperatives, Non-Government Organizations (NGOs) and private power developers.
4. To optimize the rate of economic and financial returns for its operations while fulfilling the corporate goals viz. (i) laying of power infrastructure; (ii) power load development; (iii) rapid socio-economic development of rural and urban areas, and (iv) technology up-gradation.
5. To ensure client satisfaction and safeguard customers' interests through mutual trust and self respect within the organization as well as with business partners by effecting continuous improvement in operations and providing the requisite services.
6. To assist State Electricity Boards/Power Utilities/State Governments, Rural Electric Cooperatives and other loanees by providing technical guidance, consultancy services and training facilities for formulation of economically and financially viable schemes and for accelerating the growth of rural and urban India.

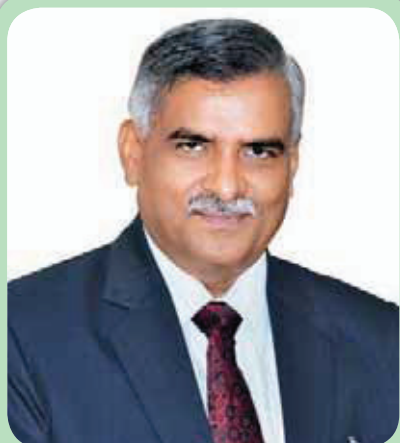
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COMPANY INFORMATION

Functional Directors	Shri Rajeev Sharma Chairman & Managing Director	Shri Ajeet Kumar Agarwal Director (Finance)	Shri Sanjeev Kumar Gupta Director (Technical)	
Chief Vigilance Officer	Smt. Abha Anand Kishore			
Executive Directors	Shri Ashok Awasthi Executive Director (Admn. /REN. & SD/Estate/ Generation Pvt.Sector/AA-RTI)	Dr. Dinesh Arora Executive Director (PMG) & CEO-RECPDCL	Shri Sanjiv Garg Executive Director (Finance-Resources/CA/ Banking/Taxation/CSR)	Shri Sunil Kumar Executive Director (DDUGJY/IT/P&C)
	Smt. Ritu Maheshwari Executive Director (T&D/Generation-State Sector and CEO-RECTPCL/NPP/NEF)	Shri T. S. C. Bosh Executive Director (DDUGJY)	Smt. Kalpana Kaul Executive Director (HR/CC& PR/ Rajbhasha)	Shri G. S. Bhati Executive Director (DDUGJY)
General Managers	Shri Dinesh Kumar General Manager (T&D/Generation-State Sector/NEF)	Shri C. P. Bhatia General Manager (Finance)-CSR	Shri Rakesh Sareen General Manager (Finance-Loans & Recovery/ALM/Risk Management/Pay)	Shri J. S. Amitabh General Manager & Company Secretary
	Shri S.L. Batta General Manager (Law/ PIO-RTI)	Shri. R.P. Vaishnaw General Manager (Internal Audit)	Shri G. V. Mahendar General Manager (Entity Appraisal)	Shri Ajoy Choudhury General Manager (Finance)-Financial Concurrence & Policy
	Shri V. K. Singh General Manager (Generation-Private Sector/ Renewable Energy)	Shri Fuzail Ahmed General Manager (PMG)	Shri P.K. Mukhopadhyay General Manager (IT)	Shri Salil Kumar General Manager (Vigilance)
	Shri P. K. Singhal General Manager (Admn./Estates)	Shri Rajiv Sood General Manager (Finance)-Treasury	Smt. Valli Natarajan General Manager (T&D)	Smt. Malathi Sundararajan General Manager (F&A) - Loans
	Shri P. Baburaj General Manager & In-charge Northern Zone			
Registered Office	Core-4, SCOPE Complex, 7, Lodhi Road, New Delhi-110003, India. Tel: 91-11- 24365161, Fax: 91- 11 -24360644, E-mail: reccorp@recl.nic.in Website: www.recindia.com			
Corporate Identification Number (CIN)	L40101DL1969GOI005095			
Company Secretary	Shri J. S. Amitabh			
Registrar & Share Transfer Agent	Karvy Computershare Private Limited Karvy Selenium Tower-B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032, India. Tel:91-40-67161500,Fax: 91- 40- 23420814, E-mail: einward.ris@karvy.com , raju.sv@karvy.com , balaji.reddy@karvy.com Website: www.karvycomputershare.com			
Shares listed at	National Stock Exchange of India Limited	BSE Limited		
Depositories	National Securities Depository Limited	Central Depository Services (India) Limited		
Statutory Auditors	Raj Har Gopal & Co. Chartered Accountants	A.R. & Co. Chartered Accountants		
Secretarial Auditor	Chandrasekaran Associates, Practicing Company Secretaries			
Bankers	Reserve Bank of India State Bank of India State Bank of Hyderabad Honkong & Shanghai Banking Corporation Limited	Dena Bank Corporation Bank HDFC Bank ICICI Bank	IDBI Bank IndusInd Bank Bank of India RBL Bank	Yes Bank Union Bank of India Axis Bank Vijaya Bank

BOARD OF DIRECTORS



SHRI RAJEEV SHARMA
Chairman & Managing Director



SHRI AJEET KUMAR AGARWAL
Director (Finance)



SHRI SANJEEV KUMAR GUPTA
Director (Technical)



DR. ARUN KUMAR VERMA
Government Nominee Director



SHRI ARUN SINGH
Part Time Non-Official
Independent Director



SHRI ARAVAMUDAN KRISHNA KUMAR
Part Time Non-Official
Independent Director



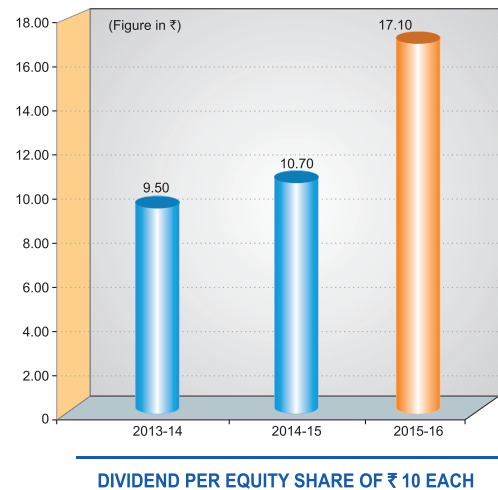
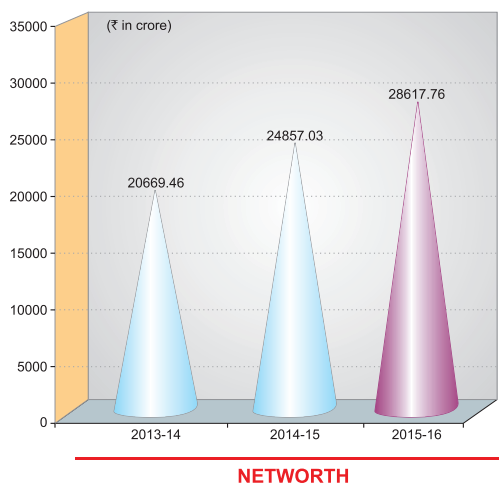
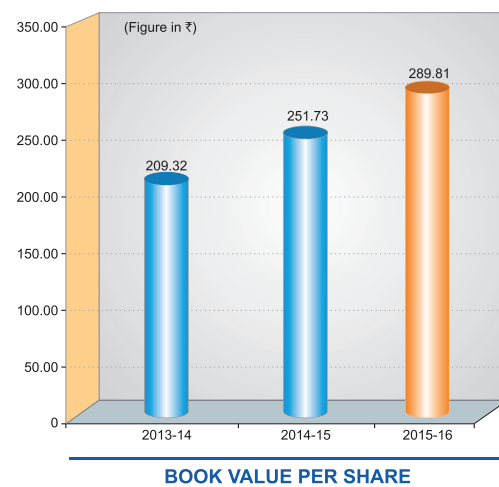
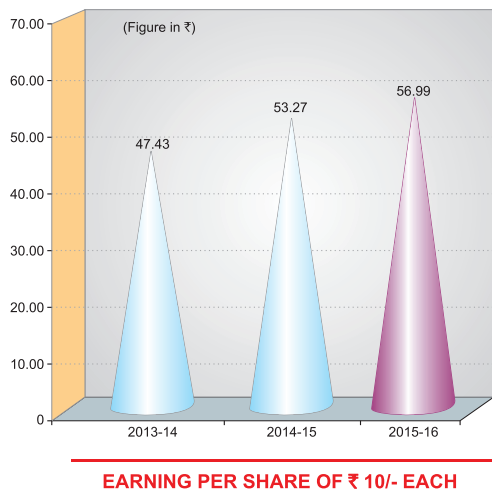
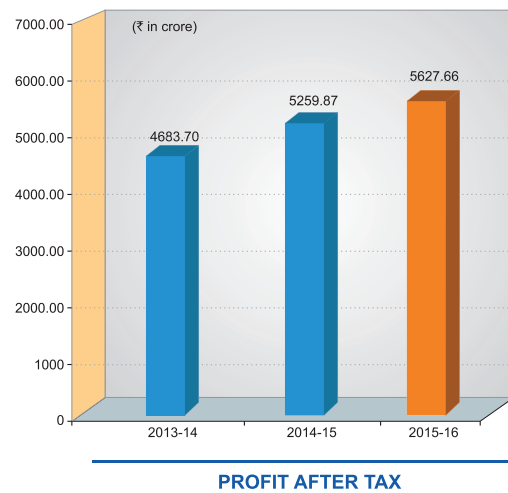
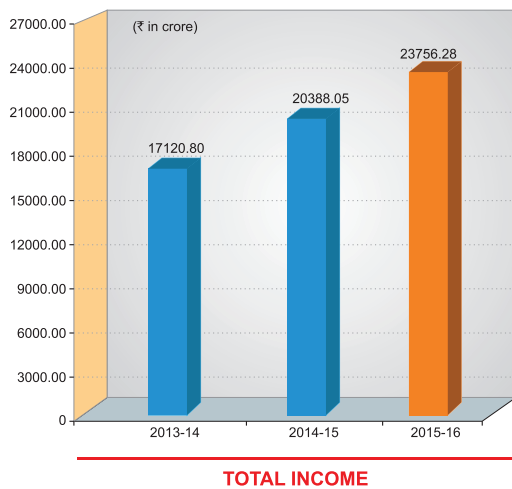
PROFESSOR T.T. RAM MOHAN
Part Time Non-Official
Independent Director

PERFORMANCE HIGHLIGHTS

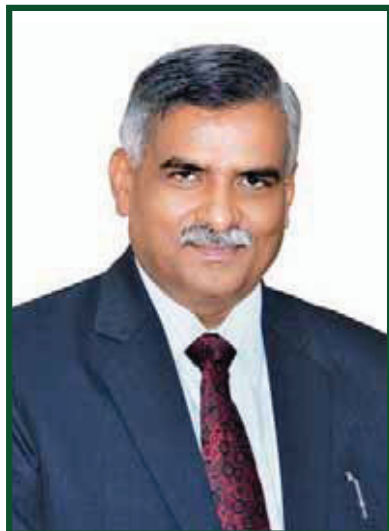
CONSISTENT GROWTH OVER 10 YEARS

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
SHAREHOLDERS' FUND										
(at the end of the year) (₹ in Crore)										
Equity Share Capital	987.46	987.46	987.46	987.46	987.46	987.46	987.46	858.66	858.66	780.60
Reserves & Surplus	27630.30	23869.57	19682.00	16466.92	13575.58	11801.16	10092.88	5331.42	4509.05	3232.11
Net Worth	28617.76	24857.03	20669.46	17454.38	14563.04	12788.62	11080.34	6190.08	5367.71	4012.71
BORROWINGS (₹ in Crore)										
From Government of India	-	3.07	7.93	15.14	24.64	36.13	49.42	64.74	81.92	100.48
Bonds/Debentures	139732.73	124683.85	102806.71	85249.04	71372.20	51208.53	40857.14	32631.48	24089.61	21611.63
From Financial Institutions	1100	1450	2995	4020	4370	4720	4070	3350	3500	3500
Foreign Currency Borrowings	21923.72	24028.20	17621.15	15238.19	10698.09	7605.90	2076.37	1493.67	1048.45	872.09
Term Loans from Banks	-	125.00	269.40	788.80	1091.54	6469.14	5811.43	4801.05	4434.80	3796.80
Commercial Papers	5600.00	-	2540.00	980.00	-	-	2450.00	1295.00	-	-
Short-term/Demand Loans	749.93	734.00	-	1500.00	2500.00	-	630.00	1300.00	1128.00	400.00
Total	169106.38	151024.12	126240.19	107791.17	90056.47	70039.70	55944.36	44935.94	34282.78	30281.00
Fund Mobilization	31254.92	41189.82	36934.37	30759.16	29709.36	25855.35	24028.24	14895.00	8377.23	9437.74
FINANCING OPERATIONS (During the year) (₹ in Crore)										
Number of projects approved	625	609	1035	1031	1091	658	492	506	881	748
Financial assistance sanctioned	*65471.10	*61421.37	*70739.48	*79470.49	*51296.77	*66419.98	*45357.36	*40745.84	*46769.76	*28629.85
Disbursements	50630.81	46446.82	37969.99	40183.06	30593.30	28517.11	27127.14	22277.86	16303.70	13732.99
Repayments by borrowers	24394.48	11812.63	14260.45	13345.92	8119.69	8772.58	5806.54	5119.36	5600.24	4034.44
Outstanding at the end of the year	201278.29	179646.94	148641.10	127355.52	101426.26	81725.45	65978.75	50652.81	38614.83	31262.18
ACHIEVEMENTS (in Nos.)										
Electrification of un-electrified villages										
During the year	7108	1405	1197	2587	7934	18306	18374	12056	9301	28706
Upto end of the year	116144	109524	108280	107083	104496	96562	78256	59882	47826	38525
Release of free Electricity Connections to BPL Households										
During the year	1439144	759377	961730	1296541	3444902	5883355	4718468	3084788	1621182	655773
Upto end of the year	23225437	21833995	21683554	20721824	19425283	15980381	10097026	5378558	2293770	672588
Pumpsets energised										
During the year	213926	256026	264165	254993	329022	318176	240020	188743	181244	174750
Upto end of the year	10986558	10772632	10516606	10252441	9997448	9668426	9350250	9110230	8921487	8740243
WORKING RESULTS (₹ in Crore)										
Total income	23756.28	20388.05	17120.80	13598.67	10509.07	8495.26	6707.60	4931.28	3537.66	2854.00
Finance Costs	14283.12	11844.61	10038.46	8083.76	6431.35	4851.01	3912.85	2898.70	2072.75	1764.78
Provisions and Contingencies	1089.85	802.96	312.02	130.68	52.27	0.22	0.22	2.37	39.99	21.05
Other Expenses	332.65	306.68	234.99	216.53	229.32	164.72	145.27	112.17	111.11	60.85
Depreciation	5.45	6.76	4.21	3.75	3.27	3.03	2.15	1.36	1.39	1.13
Profit Before Tax	8045.21	7427.04	6531.12	5163.95	3792.86	3476.28	2647.11	1916.68	1312.42	1006.19
Provision for Taxation	2417.55	2167.17	1847.42	1346.33	975.83	906.35	645.69	644.60	452.27	345.93
Profit After Tax	5627.66	5259.87	4683.70	3817.62	2817.03	2569.93	2001.42	1272.08	860.15	660.26
Dividend on Equity	1688.55	1056.58	938.09	814.65	740.59	740.59	603.21	386.40	257.60	177.00

* Excluding sanctions under DDUGJY-RE and DDG



CHAIRMAN'S MESSAGE



Dear Stakeholders,

It is my privilege to present to you the 47th Annual Report of your Company. REC has completed yet another year of excellent all-round performance as a leading public financial institution of India. Your Company continues its growth story with a consistent track record of funding almost all needs to the entire Power Infrastructure space in the country. The Indian economy continued to be a bright spot on the global economic scenario in financial year 2015-16. The Government is taking more and more initiatives to kick-start and sustain the growth momentum in business and industry. However, the Indian Corporate Sector will take some more time to get back on a high growth trajectory, as it is still recovering from the prolonged slowdown of past years.

The global economic recovery on the whole has shown signs of improvement, but it may be too early to believe that the crisis period is over. Among the developed economies, US is the only country which has attracted the interest of Investors. European economy is still reeling under pressure. To stave off spectre of subdued growth, Japan resorted to quantitative easing and China is facing the second year of declining economic activity. The commodity cycle, which is an important indicator of economic activity, has not picked up across the world. The industrialized nations have glut of stocks especially Steel, Coal and Ore. Owing to sluggish growth of major economies and huge inventories, the prices of these commodities have hit rock bottom. The existing meek external demand in these markets has posed challenges before emerging and developing economies.

As far as India is concerned, the economy has for the second year in a row bucked the global trends and given a clear indication of consistent improvement in growth during the financial year 2015-16. As per Central Statistical Office data, the Indian economy grew at 7.6% in 2015-16 due to rebound in farm output, improvement in electricity generation and mining production. However, it is also expected that the growth in the ongoing financial year 2016-17 may not surpass that of financial year 2015-16, owing to the adverse effect of global slowdown, which may persist for some time more.

The country at present is relatively better placed in terms of Current Account Deficit (CAD) and Balance of Payments (BoP). The levels of foreign reserves have been at an all-time high. A major reason for this has been a better and more robust fiscal consolidation, low crude prices, though slightly higher than the previous year because of high levels of shale gas production maintained by the US. One of the reasons of rise in foreign reserves has been the lower levels of import due to sluggish growth in manufacturing sector. With supplementation of Iran's crude production, the rise of crude price is expected to be limited. The oil prices at moderate levels have also helped to keep the inflation from rising. Other important determinants viz., signs of recovery in key economic indicators, stability in exchange rates and softening of inflation have resulted in reduction of interest rates by 150 basis points since January 2015.

POWER SECTOR

The role of a growing Power Sector is a key factor in the country's economic growth. In the state of sluggish manufacturing sector growth in the country and sinking commodity cycle across the globe, the performance of the Power Sector stands out during the Fiscal 2016. The Installed Generation capacity of the country at the end of Fiscal 2016 stands at 302 GW. A record 23,976 MW of Conventional power was added to the installed capacity in the year 2015-16. The last two years saw an addition of 46,543 MW of Conventional power, which accounted for 53% of the targeted capacity addition during XII plan period. Also, the Renewable Energy has seen an unprecedented growth in the last two years. The solar capacity rose by 4,132 MW in the last two years and 3,423 MW of wind power was added in last fiscal itself. The share of renewable energy has grown to around 43 Gigawatts, which itself is an indication of major shift imminent in the fuel mix for generation sources in the country.

Till the year 2014, Power sector was passing through tough time due to major bottlenecks viz., slippages of long-term coal linkages to the identified projects, failure to achieve planned targets from captive coal mine blocks, inability to ramp up indigenous coal and gas production, rising imported fuel prices, land acquisition, R & R and environmental issues etc.

A slew of proactive efforts and initiatives have been taken by the Government of India (GoI) in the last two years, viz., allocation of coal mines through a transparent auction route, domestic supply of gas to the gas-based stranded projects and private sector projects operating at less than 30% PLF through subsidized mode, efforts to takeover sick units under operation of State utilities, steps for augmenting indigenous coal production, facilitating developers for getting speedy clearances and fuel linkages, augmenting existing indigenous manufacturing capacity and encouraging latest technology interventions.

Today, the coal fired power plants have coal stocks of around 15 days, which were not having stocks of more than 3 days. Further with the increase in coal production, the quantum of imported coal has come down resulting in reduced effective coal prices and saving of valuable foreign currency outflow. The initiatives to supply 100% crushed and washed coal would add to efficiency of plant operations. Rationalization of coal allocation and shifting of coal linkages from inefficient to efficient plants and quality inspection of coal quality based on Gross Calorific Value (GCV) would help in efficient operation of plants and also mitigate carbon emissions to a large extent.

The inter-regional transfer capacity of the integrated National Grid at present is 59,550 MW (as on June 30, 2016) and planned to be 68,050 MW by the end of the XII plan. This will facilitate surplus power from a region to flow to another region facing power deficits, thus allowing an optimal utilization of the national generating capacity. A record high of 28,114 cKm were added to the transmission capacity in the Fiscal 2016.

Distribution of power, being the weakest link in the power value chain, needs to be strengthened to pace up with rise in generation and transmission capacities on one hand and bring down the existing inefficiencies which has led the DISCOMs/Utilities in a terminal spin of losses and debt. To turnaround the State DISCOMs and ensure their long term viability, GoI has implemented Ujjwal DISCOM Assurance Yojana (UDAY), a flagship scheme aimed at financial turnaround and revival of DISCOMs/State Utilities enabling them to become creditworthy once again and start their capex cycle. The important initiatives in this area are – improving operational efficiencies of DISCOMs, reduction of cost of power, reduction in interest cost of DISCOMs and bringing financial discipline in DISCOMs through alignment with State finances.

Further, the flagship schemes of Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) are already under implementation in rural and urban areas respectively to strengthen the Distribution System, availability of power supply and improve reach, thereby boosting the farm sector output and economic activity in rural areas. The extensive coverage of these schemes across the country would help in Government of India's resolve of providing 24x7 Power For All by the year 2019.

With the increasing stress on deploying clean energy in wake of ecological and environmental hazards from fossil fuels, the share of green energy is bound to increase, therefore substantially diluting the reliance on depleting fossil fuel resources. A capacity addition target of 100 GW by harnessing solar energy has been planned by 2022 under National Solar Mission. The target principally comprises of 40 GW roof top and 60 GW through large and medium scale grid connected solar power projects comprising of Solar Parks, Government establishments of Defence, Railways etc., the establishment of a Green Energy Transmission Corridor, development of Solar City projects, replacement of conventional pumps with Solar Pumps, Green Power Fund allocation etc.

Other notable measures are Demand Side Management initiatives like National Mission for Enhanced Energy Efficiency (NMEEE); Perform, Achieve and Trade (PAT) scheme; and Energy Conservation Building Code (ECBC) etc. Large scale substitution of existing lighting loads with energy efficient LED bulbs have been taken up under the ambitious programme Unnat Jyoti by Affordable LEDs for All (UJALA) scheme (earlier known as Domestic Efficient Lighting Program (DELP) scheme). Under the said scheme, Energy Efficiency Services Limited, a joint venture company of REC, is providing LED bulbs to domestic consumers at low cost. This initiative is part of the Government's efforts to spread the message of energy efficiency in the country. So far, around 9 crore LED bulbs have been sold across the country under this scheme.

PERFORMANCE HIGHLIGHTS

Your Company continued to register growth on key fronts of Sanctions, Loan Disbursements, Operating Income and Profits. The loans sanctioned during the financial year 2015-16 were ₹ 65,471.10 crore as compared to ₹ 61,421.37 crore during the previous financial year 2014-15, excluding sanctions under DDUGJY-RE component and DDG. The aggregate disbursement achieved during the financial year 2015-16 was ₹ 46,025.83 crore as against ₹ 42,818.46 crore in the previous year. Further, an amount of ₹ 5,023.99 crore (subsidy of ₹ 4,541.44 crore under RE component of DDUGJY, subsidy of ₹ 63.54 crore under DDG and loan component of ₹ 419.01 crore) under DDUGJY has been disbursed.

On standalone basis, the total operating income of the Company for the financial year 2015-16 increased by 17% to ₹ 23,638.35 crore from ₹ 20,229.53 crore in the previous year. The Profit After Tax increased by 7% to ₹ 5,627.66 crore in financial year 2015-16 from ₹ 5,259.87 crore in the previous year. The Loan Asset Book of your Company as on March 31, 2016 has increased by a healthy 12% to reach a historic high of ₹ 2,01,278 crore from ₹ 1,79,647 crore in the previous year. The Company achieved a recovery rate of 96.61% for the financial year 2015-16. Your Company's Non-Performing Assets (NPAs) continue to be at low levels. As on March 31, 2016, the Gross NPA of the Company was ₹ 4,243.57 crore (including loans classified as NPAs due to restructuring / non-achievement of DCCO amounting to ₹ 811.33 crore). The percentage of NPA as a percentage of Gross Loan Assets stood at 2.11% as on March 31, 2016 as compared to 0.74% as on March 31, 2015. The net NPA as on March 31, 2016 was ₹ 3,230.30 crore, which is 1.60% of Gross Loan Assets. Further, no doubtful loans have been rescheduled by the Company during the financial year 2015-16.

The Company mobilized ₹ 31,254.92 crore from the market during the year 2015-16. This included ₹ 1,000 crore by way of Tax Free Secured Redeemable Non-Convertible Bonds, ₹ 6,476.70 crore by way of Capital Gain Tax Exemption Bonds, ₹ 15,526 crore by way of non-priority sector bonds, ₹ 8,046.60 crore (i.e., US\$ 1,220 million) from External Commercial Borrowings (ECB) and ₹ 205.62 crore by way of Official Development Assistance (ODA) loan from Kreditanstalt für Wiederaufbau (KfW), Germany and Japan International Cooperation Agency (JICA), Japan. Further, an amount of ₹ 20,771.78 crore was also raised through Commercial Paper (CP). At the close of the financial year 2015-16, the total resources of your Company stood at ₹ 2,06,352.97 crore.

The domestic debt instruments of REC continued to enjoy "AAA" rating – the highest rating assigned by CRISIL, CARE, India Ratings & Research and ICRA-Credit Rating Agencies. The Company enjoys international credit rating equivalent to sovereign rating of India from International Credit Rating Agencies Moody's and Fitch which is "Baa3" and "BBB-" respectively. The overall weighted average annualized interest rate of borrowing for the funds raised during the financial year 2015-16 was 7.30% p.a. and for the borrowings outstanding as on March 31, 2016 was 8.21% p.a. As a result your Company was able to deliver debt financing at competitive rates.

DIVIDEND

In addition to interim dividend of ₹ 12.00 per share paid in February 2016, the Board of Directors of your Company has recommended a final dividend of ₹ 5.10 per share for the financial year 2015-16, which is subject to approval of the Shareholders in the ensuing Annual General Meeting. The total dividend for the financial year 2015-16 will work out to ₹ 17.10 per share, representing 171% of the paid-up share capital of the Company as against ₹ 10.70 per share, representing 107% of the paid-up share capital of the Company in the previous year. The total dividend pay-out for the financial year 2015-16 will amount to ₹ 1,688.55 crore (excluding dividend distribution tax of ₹ 341.71 crore).

FINANCING POWER PROJECTS

The Company has been providing funding assistance for power generation, transmission & distribution projects besides for Village Electrification Programme. Your Company continued to play an active role in creation of new infrastructure and improvement of the existing ones under the transmission and distribution network in the country under its T&D portfolio. In line with the Government of India's objective to provide power for all by creation of infrastructure and also to reduce the AT&C losses, your Company has been financing schemes for expansion and strengthening of the transmission network and more importantly, modernizing the distribution system.

FINANCING GENERATION PROJECTS

During the financial year 2015-16, your Company sanctioned 19 Nos. of Generation/R&M loans including 14 Nos. of additional loan assistance with total financial outlay of ₹ 27,828.44 crore including consortium financing with other financial institutions and has disbursed ₹ 12,819.53 crore against the ongoing generation projects.

FINANCING TRANSMISSION & DISTRIBUTION PROJECTS

During the financial year 2015-16, your Company sanctioned 579 Nos. of Transmission and Distribution schemes involving a total loan assistance of ₹ 23,627.61 crore. This includes primary power evacuation schemes associated with generating plants, system improvement schemes including Restructured Accelerated Power Development and Reforms Programme (R-APDRP) projects, feeder segregation schemes, bulk loan schemes, intensive electrification schemes and pumpset energization schemes. The total disbursement under T&D schemes during the year was ₹ 22,565.50 crore.

FINANCING RENEWABLE ENERGY AND OTHER PROJECTS

During the financial year 2015-16, your Company sanctioned loan assistance of ₹ 2,965.72 crore to 11 new, grid-connected Renewable Energy projects with installed generation capacity aggregating to 688 MW which included 9 Solar photo-voltaic projects aggregating to 662 MW; 1 Biomass project of 6 MW and 1 Wind project of 20 MW. The total cost of these projects aggregates ₹ 4,444.78 crore. Further, during the financial year 2015-16, total disbursement under renewable energy was ₹ 304.07 crore.

DEENDAYAL UPADHYAYA GRAM JYOTI YOJANA

The Government of India approved the scheme "Deendayal Upadhyaya Gram Jyoti Yojana" vide Office Memorandum dated December 3, 2014. REC is the Nodal agency for DDUGJY scheme. The main objectives of DDUGJY scheme are to provide access to all rural households and reduction of AT&C losses as per trajectory (DISCOM-wise) finalized in consultation with States by the Ministry of Power, so as to achieve continuous power supply for non-agricultural consumers and adequate power supply for agricultural consumers through defined project components. For this purpose, Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) scheme and its targets for XII & XIII plans have been subsumed in DDUGJY.

DDUGJY envisages 60% of the project cost from Government of India as grant to States other than special category States (85% for the Special Category States i.e. all North Eastern States including Sikkim and J&K, Himachal Pradesh, Uttarakhand) with a minimum 10% (5% for Special Category States) contribution from State Government/State Power utility through their own sources and the balance 30% (10% for Special Category States) may be arranged through loan by the State Government/State Power utility. Additional grant upto 15% (5% in case of Special Category States) by conversion of 50% of loan component will be provided by Government of India on achievement of prescribed milestones such as timely completion of projects, reduction in AT&C losses and upfront release of revenue subsidy based on metered consumption, if any, by State Government.

Out of the approved layout of ₹ 44,033 crore under DDUGJY scheme, Government of India shall provide a budgetary support of ₹ 33,453 crore. The Scheme of RGGVY as approved by CCEA for continuation in XII and XIII plans got subsumed in DDUGJY as a separate rural electrification component for which CCEA has already approved the scheme cost of ₹ 39,275 crore including a budgetary support of ₹ 35,447 crore. This outlay has been carried forward to the new scheme of DDUGJY in addition to the outlay indicated above.

In the 69th Independence Day address to the nation on August 15, 2015, Hon'ble Prime Minister resolved that the 18,452 remaining Un-electrified villages in the country would be electrified within a period of 1,000 days with the help of States and Local bodies. These 18,452 villages are located in distant, difficult hilly terrain and inaccessible areas with inclement weather facing Right of Way issues or areas plagued by insurgency etc. Ministry of Power has therefore undertaken on Mission Mode to electrify these 18,452 villages through REC - the Nodal agency for implementation of DDUGJY - and States / DISCOMs. REC developed an innovative monitoring mechanism by dividing the electrification works into 12 milestones; deployed young Electrical Engineers viz. 'Gram Vidyut Abhiyantas (GVAs)' at block level in these villages and developed 'GARV App' Mobile Web Portal (<http://garv.gov.in>) for online monitoring of the progress of village electrification. In financial year 2015-16, a total of 7,108 villages (125%) were electrified against the target of 5,686 villages and till date, the total achievement is more than 10,000 villages.

INTEGRATED POWER DEVELOPMENT SCHEME

The Government of India approved the "Integrated Power Development Scheme" vide Office Memorandum dated December 3, 2014 which primarily aims at improvement in sub-distribution and distribution networks of urban areas comprising (i) Strengthening of sub-transmission and distribution networks (ii) Metering of Distribution Transformers / Feeders / Consumers and (iii) IT enablement of distribution sector and strengthening of distribution network for completion of the targets laid down under R-APDRP for XII and XIII plans by carrying forward the approved outlay for R-APDRP to IPDS programme as a separate component. For this purpose, the earlier scheme of R-APDRP and its targets have been subsumed in IPDS. The financing pattern of the scheme is similar as that applicable for DDUGJY scheme and as stated above.