

No 322/12/2017-NSM  
Government of India  
Ministry of New & Renewable Energy

Block-14, CGO Complex,  
New Delhi – 110003.  
Dated: 08.11.2021

SANCTION ORDER

**Subject: Approval for setting up of solar PV capacity of 20 MWac/ 50 MWp with battery storage of 50 MWh at Phyang, Leh under J&K Prime Minister Development Package (PMDP) – 2015**

This is in supersession of this ministry's earlier order No. 322/12/2017-NSM dated 21.12.2020. I am directed to convey approval of the Government of India for setting up of 20 MWac/ 50 MWp with battery storage of 50 MWh at Phyang, Leh under J&K Prime Minister Development Package (PMDP) – 2015 through Solar Energy Corporation of India (SECI).

2. The salient provisions of the projects are as under:
  - i. The project will be implemented under the Prime Minister's Development Package for J&K 2015, which has been approved and announced on 07.11.2015.
  - ii. It is proposed to set up of 20 MWac/ 50 MWp with battery storage of 50 MWh at Phyang, Leh under J&K Prime Minister Development Package (PMDP) – 2015.
  - iii. The Solar Energy Corporation of India (SECI), a PSU of this Ministry will implement the project under EPC mode and maintain it during entire life of the project. SECI will set up the project through EPC contractor based on competitive bidding process.
  - iv. Tendering would be done by SECI. The CFA would be provided on deferred payment basis to ensure completion of projects as per given milestones.
  - v. SECI will develop the projects under EPC mode and will maintain them throughout its life.
  - vi. Transmission of power generated to be made through the nearby 66kV line connecting the 22 kV grid Substation as proposed by SECI.
  - vii. The required land will be acquired by SECI in consultation with the UT administration.
  - viii. SECI will get a tariff of ₹2.22/unit and the final tariff will be approved by CERC.
  - ix. Excess power, if any will be sold in exchange by SECI in consultation with PDD, Ladakh.
  - x. The total cost is calculated to be around ₹390 crore which is inclusive of EPC cost, cost/rent of land, O&M charges, battery replacement charges etc. The maximum CFA support from MNRE will be ₹250 crores as per PMDP-15 outlay. However, a committee constituted by MNRE will decide the final CFA after the tendering process has been completed by SECI. If the project cost is reduced for any reasons, SECI may pass on the benefits to MNRE, by reducing the grant required.
  - xi. Power purchase Agreement (PPA) would be signed between SECI and PDD, Ladakh. The O&M charges would be borne by SECI out of the revenue generated from power sale.
  - xii. The project will be completed within 18 months from the date of award.

xiii. CFA will be released in two tranches as follows:

SI. No.	Milestone	CFA disbursement
1	On award of contract to the EPC contractor	50 %
2	On successful commissioning of the full capacity of the project	50 %

3. Total project capacity of solar PV 20 MWac/ 50 MWp with battery storage of 50 MWh will be added during 2022-23.

4. In case of any operation difficulties and in order to ensure timely implementation of project, MNRE will be competent to make amendments in the project with the approval of Hon'ble Minister, NRE without increasing the financial requirements.

5. The expenditure involved will be debitable to Demand No.70 - Ministry of New & Renewable Energy, Major Head 2810-New & Renewable Energy, Minor Head: 101- Grid Interactive & Distributed Renewable Power, Sub Head 01- Grid Interactive Renewable Power; 04-Solar Power, 01.04.35 – Grants for Creation of Capital Assets during the year 2021-22 & 2022-23 (Plan).

6. This sanction issues in exercise of power delegated to this Ministry and with the approval of Hon'ble Minister, NRE and concurrence of IFD vide their Dairy No. 188 dated 08/11/2021.



(Aravindh M. A.)  
Scientist 'C'

**To:**

The Pay and Accounts Officer,  
Ministry of New & Renewable Energy,  
New Delhi.

**Copy for information and necessary action to:**

1. The Managing Director, Solar Energy Corporation of India, Dist. Centre, Saket, New Delhi-110017
2. Administrative Secretary, Power Development, New & Renewable Energy, UT Secretariat, Leh – 194 101.
3. Director (J&K), Ministry of Home Affairs, North Block, New Delhi, Tel:23093329
4. LREDA/KREDA
5. PDD, J&K Govt.
6. AG, CW& M.II (Science Audit), AGCR building, New Delhi.

**Internal distribution:**

1. PS to Hon'ble Minister, NRE
2. Sr. PPS to Secretary / PPS to JS&FA/ PS to Advisor (DN)/ Sci-D (SKG)/DS (IFD)/Cash Section, MNRE.