

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
RAJYA SABHA
UNSTARRED QUESTION NO. 2692
ANSWERED ON 12/08/2025

**FINANCIAL SUPPORT TO ESTABLISH SOLAR AND WIND ENERGY PLANTS IN
THE COUNTRY**

2692. SHRI DORJEE TSHERING LEPCHA

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether Government has provided any financial support to establish solar and wind energy plants in the country;
- (b) if so, the details of operational solar and wind energy plants in the State of Sikkim;
- (c) the loans and subsidy extended through Government and Power Finance Companies like REC Ltd., PFC Ltd., etc., to establish renewable energy plants and the current status of these plants in the State of Sikkim; and
- (d) the steps taken by Government to harness renewable energy from various unconventional energy sources in Sikkim along with the target fixed for 2030?

ANSWER
THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER
(SHRI SHRIPAD YESSO NAIK)

- (a) The Ministry of New and Renewable Energy provides financial support under various schemes to establish solar power projects in the country, the details of which are given at **Annexure-I**. Presently, no financial support is provided for wind power plants.
- (b) Solar projects of aggregate capacity 7.56 MW have been commissioned in Sikkim as on 30.06.2025. There is no commercial scale wind energy plants in Sikkim.
- (c) The Government has released Rs. 7 Lakh in Sikkim under PM Surya Ghar: Muft Bijli Yojana so far.

Indian Renewable Energy Development Agency (IREDA) has disbursed a loan of Rs. 2410.49 crore towards Hydro and Smart Meter projects in Sikkim.
- (d) Various progressive steps have been taken by Government to harness renewable energy generation in the country including Sikkim, the details of which are given at **Annexure-II**.

**ANNEXURE-I REFERRED TO IN REPLY TO PART (a) OF RAJYA
SABHA UNSTARRED QUESTION NO. 2692 FOR 12.08.2025**

**Financial Support being provided for the implementation of Solar Energy
Schemes/Programmes**

Scheme/Programmes	Incentives presently available as per the Scheme			
a) PM Surya Ghar: Muft Bijli Yojana Yojana for installing rooftop solar and providing free electricity up to 300 units every month for One Crore households.	1. Under the PMSG: MBY, the CFA for installation of Rooftop Solar in the Residential Sector is given below:			
	S. No.	Type of Residential Segment	CFA	CFA (Special Category States/UTs)
	1	Residential Sector (first 2 kWp of Rooftop Solar (RTS) capacity or part thereof)	Rs.30,000/kWp	Rs.33,000/kWp
	2	Residential Sector (with additional RTS capacity of 1 kWp or part thereof)	Rs.18,000/kWp	Rs.19,800/kWp
	3	Residential Sector (additional RTS capacity beyond 3 kWp)	No additional CFA	No additional CFA
	4	Group Housing Societies/ Residential Welfare Associations (GHS/RWA) etc. for common facilities including EV charging up to 500 kWp (@ 3 kWp per house)	Rs.18,000/kWp	Rs.19,800/kWp
	2. The PMSG: MBY scheme includes the provision for incentive to DISCOMs to motivate and help them in activities such as create conducive regulatory and administrative mechanisms, achieve targets for implementation. The incentive is pegged at 5% of			

Scheme/Programmes	Incentives presently available as per the Scheme
	<p>applicable benchmark cost for capacity achieved above 10% and less than 15% of installed base capacity; 10% of the applicable benchmark cost for capacity achieved beyond 15% of installed base capacity.</p> <p>3. To push the deployment of residential rooftop solar system (RTS) and undertake local mobilization efforts, the PMSG: MBY scheme also includes the provision for incentive to the Urban Local Bodies (ULBs) and Panchayat Raj Institutions (PRIs), at the rate of Rs.1000 for every installation of RTS in residential segment in the jurisdiction of ULB/PRI, for which CFA has been transferred to consumer.</p> <p>Further, a fund of Rs. 800 crore has been provisioned for developing a Model Solar Village in each district of the country, with an assistance of Rs 1 crore per Model Solar Village under PMSG: MBY scheme.</p>
<p>b) Central Public Sector Undertaking (CPSU) Scheme Phase-II (Government Producer Scheme) for setting up 12,000 MW grid-connected Solar Photovoltaic (PV) Power Projects by Government Producers, using domestically manufactured solar PV cells and modules, with Viability Gap Funding (VGF) support, for self-use or use by Government/ Government entities, either directly or through Distribution Companies (DISCOMS).</p>	<p>Viability Gap Funding (VGF) support up to Rs. 55 lakhs per MW to the CPSUs/Govt. Organizations entities selected through competitive bidding process.</p>
<p>c) PLI Scheme 'National Programme on High Efficiency Solar PV Modules' for achieving manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV modules (Tranche- I & II).</p>	<p>The beneficiaries are eligible for Production Linked Incentive (PLI) on production and sale of solar PV modules. The quantum of PLI eligible for disbursement depends upon:</p> <ul style="list-style-type: none"> (i) quantum of sales of solar PV modules; (ii) performance parameters (efficiency and temperature coefficient of maximum power) of solar PV modules sold; and (iii) percentage of local value addition in modules sold.

Scheme/Programmes	Incentives presently available as per the Scheme
<p>d) Solar Park Scheme with a target of setting up 40,000 MW capacity. Under the scheme, the infrastructure such as land, roads, power evacuation system water facilities are developed with all statutory clearances/approvals. Thus, the scheme helps expeditious development of utility-scale solar projects in the country.</p>	<p>(a) Up to Rs. 25 lakhs per Solar Park, for preparation of Detailed Project Report (DPR).</p> <p>(b) Rs. 20 lakh per MW or 30% of the project cost, whichever is lower, for development of shared infrastructure of Solar Park.</p>
<p>e) PM-KUSUM scheme for setting up decentralized solar or other renewable energy power plants, installation of stand-alone solar agriculture pumps, and solarization of existing grid-connected agriculture pumps, including feeder-level solarization. The scheme benefits not only farmers but also the States and DISCOMs.</p>	<p>Component A: Setting up of 10,000 MW of Decentralized Ground/Stilt Mounted Solar Power Plants</p> <p>Benefits available: Procurement Based Incentive (PBI) to the DISCOMs @ 40 paise/kWh or Rs.6.60 lakhs/MW/year, whichever is lower, for buying solar power under this scheme. The PBI is given to the DISCOMs for a period of five years from the Commercial Operation Date of the plant. Therefore, the total PBI payable to DISCOMs is up to Rs. 33 Lakh per MW.</p> <p>Component B: Installation of 14 Lakh Stand-alone Solar Pumps</p> <p>Benefits available: CFA of 30% of the benchmark cost or the tender cost, whichever is lower, of the stand-alone solar agriculture pump is provided. However, in North Eastern States, Sikkim, Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost or the tender cost, whichever is lower, of the stand-alone solar pump is provided. Component B can also be implemented without State share of 30%. The Central Financial Assistance will continue to remain 30% and rest 70% will be borne by the farmer.</p> <p>Component C: Solarisation of 35 Lakh Grid Connected Agriculture Pumps including through Feeder Level Solarisation</p> <p>Benefits available:</p> <p>(a) Individual Pump Solarization (IPS): CFA of 30% of the benchmark cost or the tender cost, whichever is lower, of the solar PV component will be provided. However, in North Eastern States, Sikkim, Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost or the tender cost, whichever is lower, of the solar PV component is provided. Component C (IPS) can also be implemented without State share of 30%. The Central Financial</p>

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	<p>Assistance will continue to remain 30% and rest 70% will be borne by the farmer.</p> <p>(b) Feeder Level Solarization (FLS): Agriculture feeders can be solarized by the State Government in CAPEX or RESCO mode with CFA of Rs. 1.05 Crore per MW as provided by MNRE. However, in North Eastern States, Sikkim, Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarkhand, Lakshadweep and Andaman & Nicobar Island, CFA of Rs. 1.75 crore per MW is provided.</p>								
f) New Solar Power Scheme (for Tribal and PVTG Habitations/Villages) under Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM JANMAN) and Dharti Aabha Janjatiya Gram Utkarsh Abhiyan (DA JGUA) with a provision for providing off-grid Solar Lighting where electricity supply through grid is not techno-economically feasible.	<table> <tr> <th>Components</th><th>Central Share (100%)</th></tr> <tr> <td>Provision of 0.3 kW Solar offgrid system for 1 lakh Tribal and PVTG HHs</td><td>Rs. 50,000 per HH or as per actual cost</td></tr> <tr> <td>Solar street lighting and provision of lighting in 1500 MPCs of PVTG areas (<i>under PM JANMAN component only</i>)</td><td>Rs. 1 lakh per MPC</td></tr> <tr> <td>Solarisation of 2000 public institutions through off-grid solar systems (<i>under DA JGUA component only</i>)</td><td>Rs 1 lakh per kW with maximum solar PV capacity of 20 kW per public institution</td></tr> </table>	Components	Central Share (100%)	Provision of 0.3 kW Solar offgrid system for 1 lakh Tribal and PVTG HHs	Rs. 50,000 per HH or as per actual cost	Solar street lighting and provision of lighting in 1500 MPCs of PVTG areas (<i>under PM JANMAN component only</i>)	Rs. 1 lakh per MPC	Solarisation of 2000 public institutions through off-grid solar systems (<i>under DA JGUA component only</i>)	Rs 1 lakh per kW with maximum solar PV capacity of 20 kW per public institution
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**ANNEXURE-II REFERRED TO IN REPLY TO PART (d) OF RAJYA SABHA
UNSTARRED QUESTION NO. 2692 FOR 12.08.2025**

Various Progressive Steps Taken to Promote Renewable Power in the Country

- Ministry of New & Renewable Energy (MNRE) has issued Bidding Trajectory for issuance of RE power procurement bids of 50 GW/annum by Renewable Energy Implementing Agencies (REIAs) [REIAs: Solar Energy Corporation of India Limited (SECI), NTPC Limited, NHPC Limited, SJVN Limited] from FY 2023-24 to FY 2027-28.
- Foreign Direct Investment (FDI) has been permitted up to 100 percent under the automatic route.
- Inter State Transmission System (ISTS) charges have been waived for inter-state sale of solar and wind power for projects to be commissioned by 30th June 2025, for Green Hydrogen Projects till December 2030 and for offshore wind projects till December 2032.
- To boost RE consumption, Renewable Purchase Obligation (RPO) followed by Renewable Consumption Obligation (RCO) trajectory has been notified till 2029-30. The RCO which is applicable to all designated consumers under the Energy Conservation Act 2001 will attract penalties on non-compliance. RCO also includes specified quantum of consumption from Decentralized Renewable Energy sources.
- Project Development Cell for attracting and facilitating investments has been set up.
- Standard Bidding Guidelines for tariff based competitive bidding process for procurement of Power from Grid Connected Solar, Wind, Wind-Solar Hybrid and Firm & Dispatchable RE (FDRE) projects have been issued.
- Schemes such as Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM), PM Surya Ghar Muft Bijli Yojana, National Programme on High Efficiency Solar PV Modules, New Solar Power Scheme (for Tribal and PVTG Habitations/Villages) under Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM JANMAN) and Dharti Aabha Janjatiya Gram Utkarsh Abhiyan (DA JGUA), National Green Hydrogen Mission, Viability Gap Funding (VGF) Scheme for Offshore Wind Energy Projects have been launched.
- Scheme for setting up of Solar Parks and Ultra Mega Solar Power projects is being implemented to provide land and transmission to RE developers for installation of RE projects at large scale.
- Laying of new transmission lines and creating new sub-station capacity has been funded under the Green Energy Corridor Scheme for evacuation of renewable power.
- Electricity (Rights of Consumers) Rules, 2020 has been issued for net-metering up to five hundred Kilowatt or up to the electrical sanctioned load, whichever is lower.
- “National Repowering and Life Extension Policy for Wind Power Projects, 2023” has been issued.

- “Strategy for Establishments of Offshore Wind Energy Projects” has been issued indicating a bidding trajectory of 37 GW by 2030 and various business models for project development.
- The Offshore Wind Energy Lease Rules, 2023 have been notified vide Ministry of External Affairs notification dated 19th December 2023, to regulate the grant of lease of offshore areas for development of offshore wind energy projects.
- Standard & Labelling (S&L) programs for Solar Photovoltaic modules and Grid-connected Solar Inverters have been launched.
- To augment transmission infrastructure needed for steep RE trajectory, transmission plan has been prepared till 2030.
- “The Electricity (Late Payment Surcharge and related matters) Rules (LPS rules) have been notified.
- Electricity (Promoting Renewable Energy Through Green Energy Open Access) Rules, 2022, has been notified on 06th June 2022 with objective of ensuring access to affordable, reliable, and sustainable green energy for all. Green Energy Open Access is allowed to any consumer with contract demand of 100 kW or above through single or multiple single connection aggregating Hundred kW or more located in same electricity division of a distribution licensee.
- Green Term Ahead Market (GTAM) has been launched to facilitate sale of Renewable Energy Power through exchanges.
- Government has issued orders that power shall be dispatched against Letter of Credit (LC) or advance payment to ensure timely payment by distribution licensees to RE generators.