

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
STARRED QUESTION NO. 385
ANSWERED ON 20/08/2025

PAYMENT SECURITY MECHANISM COMPONENT OF PM-SGMBY

*385. SMT. DELKAR KALABEN MOHANBHAI
SHRI NILESH DNYANDEV LANKE

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

- (a) whether the Government has prepared any operational guidelines for implementation of payment security mechanism and central financial assistance component for Renewable Energy Service Company (RESCO) Models/Utility Led Aggregation Models under Pradhan Mantri-Surya Ghar Muft Bijli Yojana (PM-SGMBY);
- (b) if so, the details thereof including the status in Maharashtra and Madhya Pradesh;
- (c) the details of the number of households identified under the said models in the Union Territory of Dadra and Nagar Haveli and States of Maharashtra and Madhya Pradesh; and
- (d) whether any steps have been taken to make green energy accessible to all and to promote renewable energy targets in the solar energy sector in the said Union Territory and States and if so, the details thereof?

ANSWER

**THE MINISTER OF NEW & RENEWABLE ENERGY AND CONSUMER AFFAIRS,
& FOOD AND PUBLIC DISTRIBUTION**

(SHRI PRALHAD JOSHI)

- (a) to (d) A statement is laid on the table of the House.

STATEMENT

Statement referred to in reply of parts (a) to (d) of the Lok Sabha Starred Question No. 385 to be answered on 20.08.2025 regarding Payment Security Mechanism Component of PM-SGMBY

(a) to (c): The Ministry of New and Renewable Energy (MNRE) has issued Operational Guidelines for implementation of the “Payment Security Mechanism” Component and the “Central Financial Assistance (CFA)” Component for RESCO Models /Utility Led Aggregation (ULA) Models under the PM Surya Ghar: Muft Bijli Yojana (PMSG: MBY) on 28.12.2024.

The objective of CFA component for RESCO Models / ULA Models is to enable DISCOMs/ State Governments/ State Designated entities to support rooftop solar development under RESCO and ULA models, primarily for low-income households/ families.

Further, the scheme has also a separate component for Payment Security Mechanism (PSM) with a corpus of Rs 100 crore for de-risking investments in RESCO based models in rooftop solar. The utilization of the payment security fund is to be done for ensuring timely payments to RESCO developers and to insulate them from delays in settlement of payments from the DISCOMs/contracting party. ULA proposals from State/UT governments can access this PSM in order to provide payment security for projects in which RESCO developers have been contracted with, through an open transparent bidding process for tariff discovery. Under this arrangement, the ULA selected RESCO developers shall contribute to the PSM Corpus through a one-time PSM fee of Rs 2000/installation to be undertaken by it under the ULA.

In addition to PSM available under the PMSG: MBY, few states such as Madhya Pradesh and Haryana have also set up their own Payment security mechanisms, to further safeguard the interests of RESCO developers.

Under the ULA model of the PMSG: MBY, the MNRE has accorded in-principle approval to 7 States/UTs i.e. Andhra Pradesh, Odisha, Jammu & Kashmir, Assam, Kerala, Andaman & Nicobar Islands and Ladakh. The State/UT wise details are as follows:-

S. No.	State/UT	No of rooftop solar installations
1	Andhra Pradesh	3,88,571
2	Odisha	1,50,000
3	Assam	1,79,229
4	Kerala	50,000
5	Jammu & Kashmir	2,22,568
6	Andaman & Nicobar Islands	15,000

7	Ladakh	7,000
	Total	10,12,368

While proposals are yet to receive under the RESCO and ULA models from the States of Maharashtra and Madhya Pradesh, the UT of Dadra & Nagar Haveli and Daman & Diu has identified 5,000 beneficiaries (4,850 in Dadra & Nagar Haveli and 150 in Daman & Diu) under the ULA model, primarily from the Pradhan Mantri Awas Yojana–Gramin (PMAY-G) category, with a focus on supporting economically weaker sections.

(d) The Government has taken following measures to promote rooftop solar adoption under the PMSG: MBY:

- Online process from registration to disbursal of subsidy directly in to the bank account of the residential consumer through National Portal.
- Availability of collateral free loan from nationalized banks at concessional interest rate of repo-rate plus 50 bps i.e. 6% per annum for the present with tenure of 10 years.
- Simplified the regulatory approval process by waiving technical feasibility requirement and introducing auto load enhancement upto 10 kW.
- Simplified process for registration of vendors to ensure sufficient and qualified vendors are available.
- Capacity building and training programmes being conducted for creating skilled manpower.
- Creating awareness about the scheme, through awareness and outreach program such as print advertising in leading newspapers, TV commercials campaigns, Radio campaigns across FM stations including regional channels, etc., in the country
- Regular monitoring of the progress of the scheme at different levels including with states/DISCOMs.

Established grievance redressal mechanism for timely resolution of grievances. A Call Centre with telephone number 15555 is operational in 12 languages.

Further, the Government of India has taken several steps to make green energy accessible to all and to promote renewable energy targets in the solar energy sector in the country including in the states of Maharashtra and Madhya Pradesh and the UT of Dadra & Nagar Haveli and Daman & Diu. Details of these steps are given in **Annexure**.

Annexure referred to in reply of part (d) of the Lok Sabha Starred Question No. 385 to be answered on 20.08.2025 regarding Payment Security Mechanism Component of PM-SGMBY

Major steps to make green energy accessible to all and to promote renewable energy targets in the solar energy sector in the country are as follows:

- 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.
- Waiver of Inter State Transmission System (ISTS) charges for RE projects.
- Renewable Consumption Obligation (RCO) trajectory has been notified till 2029-30.
- 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.
- “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.
- To augment transmission infrastructure needed for steep RE trajectory, transmission plan has been prepared till 2030.
- 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 Term Ahead Market (GTAM) has been launched to facilitate sale of Renewable Energy Power through exchanges.
