

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 4170
ANSWERED ON 18.03.2026

REVIEW OF SUBSIDY UNDER PM-KUSUM

4170. SHRI SRIBHARAT MATHUKUMILLI

WILL THE MINISTER OF NEW AND RENEWABLE ENERGY BE PLEASED TO STATE:

- (a) whether the Government has reviewed the existing subsidy provision under the Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM-KUSUM) which currently extends financial assistance for installation of standalone solar agricultural pumps up to a capacity of 7.5 HP particularly in areas where groundwater levels are significantly deep and if so, the details thereof;
- (b) whether the Government proposes to permit installation of higher-capacity solar pumps in regions with low groundwater availability to ensure effective irrigation access for farmers and if so, the details thereof;
- (c) whether the Government has undertaken any assessment regarding the affordability of solar pumps particularly for small and marginal farmers;
- (d) if so, the steps taken to promote research and development aimed at reducing the cost of solar pumping systems through innovations in design, materials and efficiency; and
- (e) whether any financial support mechanisms are being extended to encourage indigenous manufacturing, start-ups and research institutions to develop cost-effective solar pump technologies and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) & (b) PM-KUSUM guidelines have a provision to address over-exploitation of ground water by solar pumps.

As per the scheme guidelines, new pumps are not permitted to be installed in Dark zone/Black zone/ over-exploited areas notified by Central Ground Water Board (CGWB). However, existing standalone diesel pumps, can be converted into standalone solar pumps in these areas provided they use micro irrigation techniques to save water.

No proposal is under consideration for revision of subsidy amount under PM-KUSUM Scheme as the sunset date of the scheme is 31.03.2026.

(c) Under Component B of PM KUSUM scheme, Central Financial Assistance of 30% (or 50% for North Eastern Region/Hilly region/Islands) of the benchmark cost or tender rates, whichever is lower, is provided. The states are also providing a minimum of 30% state share and rest up to 40% to be borne by the farmer.

However, the PM KUSUM scheme is covered under Agricultural Infrastructure Fund, which provides easy financing at 6%. With current diesel cost of around Rs 87 per litre, and assuming consumption of 4.6 litres per day (for 5 HP pumps), the farmer can achieve the breakeven in a year.

(d) PM KUSUM Scheme mandates the use of indigenously manufactured solar panels with indigenous solar cells under Component-B and Component-C. The scheme guidelines also allow for innovative solar pumps, to be adopted under the scheme provisions. The proposed innovations need to undergo field demonstration and lab testing through NISE.
