

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 6114
ANSWERED ON 01.04.2026

SOLAR AND WIND POWER PLANTS IN RURAL AREAS

6114. SHRI ANIL FIROJIYA

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

- (a) whether the Government has implemented any new scheme to increase solar energy generation in the country and if so, the details thereof;
- (b) whether the Government is implementing any special programmes to set up solar power plants in rural areas;
- (c) whether the Government proposes to approve new projects to increase wind energy production and if so, the details thereof;
- (d) whether the Government proposes to introduce any new policy to promote private investment in the renewable energy sector and if so, the details thereof; and
- (e) whether the Government has set any targets for increasing renewable energy capacity by the year 2030 and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) & (b) The Government is implementing various schemes to increase solar energy generation in the country, including rural areas. The details of operational schemes are given at **Annexure-I**.

(c) At present, there is no scheme for providing financial subsidy/incentive for installation of onshore wind power projects. The wind power projects are being installed by private companies/public sector enterprises based on techno-economic assessment.

Further, in order to kick start the offshore wind sector, the Government has launched 'Viability Gap Funding (VGF) scheme for offshore wind energy projects' at a total outlay of ₹ 7453 crore, including an outlay of ₹ 6853 crore for installation and commissioning of 1 GW of offshore wind energy projects (500 MW each off the coast of Gujarat and Tamil Nadu), and grant of ₹ 600 crore for upgradation of two ports to meet logistics requirements for offshore wind energy projects.

(d) Presently, most of the renewable energy projects are set up by private sector developers. The Government has taken various policy measures to promote private investment in the renewable energy sector, the details of which are given at **Annexure-II**.

(e) In line with Hon'ble Prime Minister's announcement at COP26, Ministry of New and Renewable Energy is working towards achieving 500 GW of installed electricity capacity from non-fossil sources by 2030.

**Annexure-I referred to in reply of part (a) & (b) of the Lok Sabha Unstarred Question
No. 6114 to be answered on 01.04.2026**

Details of operational schemes to promote solar energy generation in the country

Scheme/Programmes	Incentives presently available as per the Scheme			
<p>(a) PM Surya Ghar: Muft Bijli Yojana (PMSG: MBY) for installing rooftop solar and providing free electricity up to 300 units every month for One Crore households.</p>	<p>1. Under the PMSG: MBY, the CFA for installation of Rooftop Solar in the Residential Sector is given below:</p>			
	<p align="center">Sl. No.</p>	<p align="center">Type of Residential Segment</p>	<p align="center">CFA</p>	<p align="center">CFA (Special Category States/UTs)</p>
	<p align="center">1</p>	<p>Residential Sector (first 2 kWp of Rooftop Solar (RTS) capacity or part thereof)</p>	<p align="center">₹30,000/kWp</p>	<p align="center">₹33,000/kWp</p>
	<p align="center">2</p>	<p>Residential Sector (with additional RTS capacity of 1 kWp or part thereof)</p>	<p align="center">₹18,000/kWp</p>	<p align="center">₹19,800/kWp</p>
	<p align="center">3</p>	<p>Residential Sector (additional RTS capacity beyond 3 kWp)</p>	<p align="center">No additional CFA</p>	<p align="center">No additional CFA</p>
	<p align="center">4</p>	<p>Group Housing Societies/ Residential Welfare Associations (GHS/RWA) etc. for common facilities including EV charging up to 500 kWp (@ 3 kWp per house)</p>	<p align="center">₹18,000/kWp</p>	<p align="center">₹19,800/kWp</p>
<p>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 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</p>				

Scheme/Programmes	Incentives presently available as per the Scheme
	<p>(PRIs), at the rate of ₹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>4. Further, a fund of ₹800 crore has been provisioned for developing a Model Solar Village in each district of the country, with an assistance of ₹ 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 ₹ 55 lakhs per MW to the CPSUs/Govt. Organizations entities selected through competitive bidding process.</p>
<p>c) Production Linked Incentive 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.
<p>d) Scheme for Development of Solar Parks and Ultra-mega Solar Power Projects with a target of setting up 40,000 MW capacity. Under the scheme, the</p>	<p>₹ 20.00 lakh per MW or 30% of the project cost, whichever is lower, is provided for development of the parks. Beside this, CFA of up to ₹25 lakh per Solar Park is provided for preparation of Detailed Project Report (DPR).</p>

Scheme/Programmes	Incentives presently available as per the Scheme						
<p>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>e) PM-KUSUM Scheme was launched by the Government in March, 2019 to enable the installation of standalone solar pumps, solarization of existing grid-connected agriculture pumps, and installation of solar power plants on farmer's land.</p>	<p>Component 'A': Setting up of 10,000 MW of Decentralized Ground/Stilt Mounted grid-connected solar or other renewable energy-based power plants by the farmers on their land.</p> <p>Component 'B': Installation of 14 lakh standalone off-grid solar agriculture pumps.</p> <p>Component 'C': Solarization of 35 lakh existing grid-connected agriculture pumps including Feeder Level Solarization (FLS).</p> <p>The details of eligible financial assistance under PM KUSUM scheme are given below.</p> <table border="1" data-bbox="587 1084 1394 2024"> <thead> <tr> <th data-bbox="587 1084 876 1133">Components</th> <th data-bbox="876 1084 1394 1133">Financial Assistance available</th> </tr> </thead> <tbody> <tr> <td data-bbox="587 1133 876 1346">Component A</td> <td data-bbox="876 1133 1394 1346">Procurement Based Incentive (PBI) is provided to the DISCOMs @ 40 paise/kWh or Rs.6.60 lakhs/MW/year, whichever is lower, for five years. There is no CFA under this Component.</td> </tr> <tr> <td data-bbox="587 1346 876 2024">Component B Component C (Individual Pump Solarisation)</td> <td data-bbox="876 1346 1394 2024"> <ul style="list-style-type: none"> • CFA of 30% of the benchmark cost issued by MNRE or the prices of the systems discovered in the tender, whichever is lower, is provided. • However, in North Eastern States including Sikkim, Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost issued by MNRE or the prices of the systems discovered in the tender, whichever is lower, is provided. • In addition, the respective state/UT to provide at least 30% financial support. Balance cost is to be contributed by beneficiary. </td> </tr> </tbody> </table>	Components	Financial Assistance available	Component A	Procurement Based Incentive (PBI) is provided to the DISCOMs @ 40 paise/kWh or Rs.6.60 lakhs/MW/year, whichever is lower, for five years. There is no CFA under this Component.	Component B Component C (Individual Pump Solarisation)	<ul style="list-style-type: none"> • CFA of 30% of the benchmark cost issued by MNRE or the prices of the systems discovered in the tender, whichever is lower, is provided. • However, in North Eastern States including Sikkim, Jammu & Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Lakshadweep and A&N Islands, CFA of 50% of the benchmark cost issued by MNRE or the prices of the systems discovered in the tender, whichever is lower, is provided. • In addition, the respective state/UT to provide at least 30% financial support. Balance cost is to be contributed by beneficiary.
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		<ul style="list-style-type: none"> • Component B and Component C (IPS) of PM KUSUM scheme 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. 								
	Component C (Feeder Level Solarisation)	For agriculture feeder solarization, CFA of Rs 1.05 Crore per MW (1.75 Cr. per MW for NER/ Hilly/ Islands) is provided. There is no mandatory requirement of financial support from participating State/UT. The feeder solarisation can be implemented in CAPEX or RESCO mode.								
f) New Solar Power Scheme (for Tribal and PVTG Habitations/Villages) under Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM JANMAN) and Dharti Aaba Janjatiya Gram Utkarsh Abhiyan (DA JGUA). Under the scheme, off-grid solar systems (Solar Home Lighting Systems/Solar Power Pack/Solar Mini Grids) are provided to tribal and PVTG households (HHs), Multi-Purpose Centers (MPCs) and Public Institutions (PIs) in Tribal and PVTG areas where electrification through conventional grid is technoeconomically not feasible.	<table border="1"> <thead> <tr> <th data-bbox="587 801 1002 853">Components</th> <th data-bbox="1010 801 1423 853">Central Share (100%)</th> </tr> </thead> <tbody> <tr> <td data-bbox="587 853 1002 1003">Provision of 0.3 kW Solar off-grid system for 1 lakh Tribal and PVTG HHs</td> <td data-bbox="1010 853 1423 1003">Maximum ₹ 50,000 per HH or as per actual cost</td> </tr> <tr> <td data-bbox="587 1003 1002 1205">Solar street lighting and provision of lighting in 1500 MPCs of PVTG areas (<i>under PM JANMAN component only</i>)</td> <td data-bbox="1010 1003 1423 1205">₹ 1 lakh per MPC</td> </tr> <tr> <td data-bbox="587 1205 1002 1429">Solarisation of 2000 PIs through off-grid solar systems (<i>under DA JGUA component only</i>)</td> <td data-bbox="1010 1205 1423 1429">₹ 1 lakh per kW with maximum solar PV capacity of 20 kW per public institution</td> </tr> </tbody> </table>		Components	Central Share (100%)	Provision of 0.3 kW Solar off-grid system for 1 lakh Tribal and PVTG HHs	Maximum ₹ 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>)	₹ 1 lakh per MPC	Solarisation of 2000 PIs through off-grid solar systems (<i>under DA JGUA component only</i>)	₹ 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 of part (d) of the Lok Sabha Unstarred Question No. 6114 to be answered on 01.04.2026

Policy measures taken to promote private investment in the renewable energy sector

- Standard Bidding Guidelines for tariff based competitive bidding process for procurement of Power from Grid Connected Solar, Wind, Wind-Solar Hybrid and Firm & Dispatchable Renewable Energy (FDRE) projects have been issued.
- 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.
- Foreign Direct Investment (FDI) has been permitted up to 100 percent under the automatic route.
- 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.
- Waiver on Inter State Transmission System (ISTS) charges for renewable energy projects including green hydrogen projects, with certain timelines and conditions.
- 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.
- Quality Control Orders for Solar Photovoltaic products (i.e., Solar PV Modules, Solar PV Inverters & Storage Battery) and Solar Water Heating systems notified.
- Issued National Framework for promoting & developing Energy Storage Systems.
- Issued Guidelines for Resource Adequacy Planning Framework for India.
- 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.
- 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.
- The Revised Guidelines for installation of prototype wind turbine models issued on 12th June 2025.
- Procedure for inclusion/updating Wind Turbine Model in the Revised List of Models and Manufacturers of Wind Turbines (RLMM) issued on 31st July 2025. The amendment renames RLMM as Approved List of Models and Manufacturers [ALMM (Wind)] and mandates usage of listed components such as Blade, Tower, Generator, Gearbox and Special Bearings (Main, Pitch and Yaw Bearing) along with mandatory relocation of data centres within India and prohibition of real-time data transfer outside India.
- The Standard Operating Procedure (SOP) for ALMM-Wind and ALMM – Wind Turbine Components (ALMM-WTC) issued on 29th October 2025, detailing the end-to-end process for application, verification, factory inspection, component evaluation and model enlistment.

- 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, 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 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.