

**Government of India
Ministry of New and Renewable Energy
(SPV Division)**

**Block 14, CGO Complex,
Lodhi Road, New Delhi 110003**

Dated: 28.02.2014

Scheme: *Financial Support for extending subsidy- for installation of 68,000 numbers of Solar Photovoltaic lights and small capacity systems through NABARD/RRB's, Nationalized banks and Cooperative banks under Jawaharlal Nehru National Solar Mission (JNNSM).*

- a. Aim:** Financial Support for extending subsidy- for installation of **68,000** numbers of Solar Photovoltaic lights and small capacity systems through NABARD/RRB's, Nationalized banks and Cooperative banks under Jawaharlal Nehru National Solar Mission (JNNSM). The main objective of the project is to provide clean and better light to individual households in rural, semi-urban and urban areas where the electricity supply is very unreliable and unstable. This will also help in the reducing consumption of kerosene. It will give an opportunity to improve the results of children studying in schools. It will give more time to women in carrying out household chores in the evenings after the sun set. It helps in the better light for cottage industries
- b. Technical Details:** Solar Photovoltaic lights and small capacity PV Systems from 10 Wp to 1kWp including both CFL and LED based systems . Product used should meet the technical requirement set by Ministry. The specification may be modified by Ministry from time to time. Product range (size wise) and design of the system will be provided by MNRE to NABARD for operation . Details of the specification of models given at Annexure I
- c. Budget:** Estimated CFA for the 68,000 number of systems is Rs.149.81 crores (calculated on the basis of tentative project cost of Rs 367 crores including marketing, transportation, installation and five year AMC cost and assuming average size of 200 Wp each unit capacity), whereas Central Government Subsidy will be as per following:
 - i.** Capital subsidy is limited to 40% of the total Benchmark cost for SPV system with battery upto 300 Wp limited to Rs.108/- with CFL based lighting system and Rs180/Wp for LED based lighting system

- ii. Capital subsidy is limited to 30% of the total Benchmark cost for SPV system with battery above 300 Wp -1000Wp limited to Rs.81/- with CFL based lighting system and Rs135/Wp for LED based lighting system
 - iii. Up to 2% of the CFA to be given to NABARD as service charges and out of which 0.25% will be utilized for training/publicity material/ other expenses.
 - iv. Balance 60% cost of the system will be loan from bank at normal interest rate of the bank and beneficiary contribution.
 - v. The CFA should be lower of 40% of the project cost/benchmark cost or Rs. 149.81 Crore (as per NCEF's minutes of meeting held on 11th November, 2013).
 - vi. General Financing Rules Provision of Government of India are strictly adhere to.
- d. Duration:** Total duration of the project is 1 Years
- e. Implementation:** The scheme will be Implemented by NABARD through Regional Rural Banks (RRB's)and Commercial Bank/Nationalised Banks. NABARD will submit quarterly progress report for the number of installations and amount disbursed .
- f. Selection of beneficiaries:** RRB's/Commercial banks will promote the scheme through their own channel and empanelled manufacturer market for their product and get the loan from the bank for their customers.
- g. Procurement:** Ministry will empanel manufacturers from time to time who has dealer network in the operational area. Only empanelled manufacturer/suppliers can participate in the scheme. The list will be placed on the website. The manufacturer has to submit the test report (from MNRE accredited labs only) for each category of product which include the component make used in the system at the time of supplying system through bank. The rate will be inclusive of transportation, installation and maintenance for 5 years from the date of commissioning.

- h. Training:** The beneficiary will be given training on technical aspects and maintenance by selected manufacturer

- i. Monitoring:** NABARD will be responsible to monitor the project and maintain information through web enabled system. Ministry will get these systems inspected by third party if required . This information about installed systems must be updated at NABARD/MNRE website from time to time.

- j.** NABARD would provide to Ministry requisite annual utilization certificate(s), bank reconciliation Statements etc to facilitate release of CFA from time to time.

- k. Budget head :** The expenditure involved is debitable to budget head Demand No.69, Major Head 2810, Minor Head: 101-Grid Interactive and Distributed Renewable Power, 02-Off Grid/ Distributed and Decentralised Renewable Power 04- Solar Power, 31-grants-in-aid during the year 2013-14 (plan).

ANNEXURE I

Technical and Financial parameters of pre-approved Models (CFL Luminarie) to be financed

Model	SPV modules / panels (Wp)	Battery capacity	Maximum recommended load and duty cycle	Indicative cost (Rs.)	Max. capital subsidy eligible (Rs.)
I	10	12 V, 7 AH (SMF)	5-7 watt load for 3 to 4 hrs (20 watt hrs/day)	2700	1080
II	18-20	12 V, 20 AH (Tubular L.M./Gel VRLA)	10 watt load for 4 hrs (40 watt hrs/day)	4860-5400	1944-2160
III	37-40	12 V, 40 AH (Tubular L.M./Gel VRLA)	20 watt load for 4 hrs (80 watt hrs/day)	9990-10800	3996-4320
IV	50	12 V, 60 AH (Tubular L.M./Gel VRLA)	30 watt load for 4 hrs (120 watt hrs/day)	13500	5400
V	70-80	12 V, 80 AH (Tubular L.M./Gel VRLA)	45 watt load for 4 hrs (180 watt hrs/day)	18900-21600	7560-8640
VI	100	12 V, 120 AH (Tubular L.M./Gel VRLA)	60 watt load for 4 hrs (240 watt hrs/day)	27000	10800
VII	125	12 V, 150 AH (Tubular L.M./Gel VRLA)	75 watt load for 4 hrs (300 watt hrs/day)	33700	13500
VIII	150-160	24 V, 80 AH (Tubular L.M./Gel VRLA)	90 watt load for 4 hrs (360 watt hrs/day)	40500-43200	16200-17250
IX	200-210	24 V, 120 AH (Tubular L.M./Gel VRLA)	120 watt load for 4 hrs (480 watt hrs/day)	54000-56700	21600-22680
X	250-300	24 V, 150 AH (Tubular L.M./Gel VRLA), 500 VA inverter	180 watt load for 4 hours (720 watt hrs/day)	67400-81000	27000- 32400

The total cost, the maximum capital subsidy and the maximum eligible quantum of subsidized loan have been worked out on the basis of the benchmark cost of Rs. 270/- per Wp prescribed by MNRE.

In case the actual cost of the system is less than the indicative costs mentioned above, the capital subsidy eligibility will be calculated @ 40% of the actual cost.

For invoices with amounts higher than those prescribed, the subsidy will be limited as worked out according to the benchmark cost (CFL based product) of Rs. 270 (maximum) per Wp. However the banks at their discretion, may consider financing the remaining amount at their prevailing interest rate

Technical and Financial parameters of pre-approved Models (LED Luminarie) to be financed

Model	Photovoltaic modules / panels (Wp)	Battery capacity	Maximum recommended load and duty cycle	Indicative cost (Rs.)	Max. capital subsidy eligible (Rs.)	Max loan amount (Rs.)
I	6	12 V, 7 AH@c/20 (SMF, NiMH or Lithium-Ion of Requisite capacity)	One white LED	2700	1080	1620
II	12	12 V, 20AH@c/20 (SMF, NiMH or Lithium-Ion of Requisite capacity)	Two white LED	5400	2160	3240
III	24	12 V, 20AH@c/20 (Tubular L.M./Gel VRLA)	Two white LED and one Dc Fan of wattage up to 10 Wp	10800	4320	6480
IV	24	12 V, 20AH@c/20 (Tubular L.M./Gel VRLA)	Four White LED	10800	4320	6480
V	40 Wp	12 V, 40AH@c/10 (Tubular L.M./Gel VRLA)	White LED Street Light (Min. of 15 Lux at the height of 4 m and 3 days or 42 hours operating hour autonomy)	18000	7200	10800

The total cost, the maximum capital subsidy and the maximum eligible quantum of subsidized loan have been worked out on the basis of the benchmark cost (LED based product) of Rs. 450/- per Wp prescribed by MNRE.

In case the actual cost of the system is less than the indicative costs mentioned above, the capital subsidy eligibility will be calculated @ 40% of the actual cost.

For invoices with amounts higher than those prescribed ,the subsidy will be limited as worked out according to the benchmark cost of Rs. 450 (maximum) per Wp. However the banks at their discretion, may consider financing the remaining amount at their prevailing interest rate