

No. 5/34/2013-14/RT
Ministry of New and Renewable Energy
(Grid Connected SPV Rooftop, Solar Cities & Green Buildings Division)

INFORMATION NOTICE

Installation of Grid Connected Rooftop Solar Power Projects – Limitations for Subsidy of MNRE.

The Ministry is implementing a 'Grid Connected Rooftop and Small Solar Power Plants Programme' in which the solar rooftop plants from 1 kWp to 500 kWp are set up. So far, the grid connected rooftop projects with aggregate capacity of 356 MWp have been sanctioned and the 40 MWp aggregate capacities have been installed in the country.

2.0 The following benefits are already available for setting up grid connected rooftop and small solar power plants in our country besides, subsidy of MNRE:

- (i) Accelerated depreciation benefits to the eligible industry and commercial establishments.
- (ii) Net-metering, feed-in-tariff/gross metering facilities in the States/UTs of Andhra Pradesh, Chhattisgarh, Delhi, Gujarat, Haryana, Karnataka, Kerala, Tamil Nadu, Uttarakhand, West Bengal, Andaman and Nicobar, Chandigarh, Dadra and Nagar Haveli, Daman and Diu, Lakshadweep, Pondicherry and Goa.
- (iii) State subsidies.
- (iv) Access to less costly solar power compared to conventional electricity tariff applicable for commercial and high-end users.

3.0 It is estimated that a huge potential of grid connected rooftop systems is available in the country. However, due to limited availability of budget, it may not be possible to provide central capital subsidy to all categories of beneficiaries. Those entities which are already paying higher tariff for conventional power (more than CERC's rate for solar power) may not require any subsidy as the rooftop projects would be attractive and viable even without any subsidy.


4.0 This is to indicate that the subsidy is under revision and is likely to be reduced upto 15% from the present level of 30%. This may be either in the form of capital subsidy to be given directly to the beneficiaries Aadhaar Linked Accounts or in the form of interest subvention.

5.0 For grid connected rooftop solar projects, the priority will be given for the following sectors for providing the subsidy of MNRE i.e.

- (i) Educational Institutions, hospitals, old age homes, orphanages etc.
- (ii) Government community centers, facilities for use of community, common service centers, panchayat buildings, common workshops for artisans or craftsman
- (iii) Governments buildings of State and Central Governments
- (iv) Any other establishment for common use
- (v) Residential buildings

Industrial and commercial buildings, both in public & private sector will get priority only after the above.

6.0 Keeping in view the constraints of availability of funds, falling prices, economic viability of the system, besides, benefits listed above, all State Nodal Agencies, State Deptts., Commercial Establishments, Channel Partners, System Integrators etc. are advised to set up grid connected rooftop projects without waiting for the subsidies of MNRE.


[Dr. Arun K Tripathi]
Scientist 'F'
01.01.2015