

INSTALLATION OF GRID CONNECTED SOLAR ROOF TOP POWER PLANTS – CENTRAL FINANCE ASSISTANCE OF MNRE

Government of India has set a target for installation of 100 GW solar power out of which 40 GW is to come from grid connected solar roof top plants. Since a large target has been set, it will not be possible to provide CFA for all 40 GW such solar roof top plants and hence CFA of 15% of the benchmark cost has been provided in the scheme by MNRE vide notice no 5/34/2013-14/RT probably dated 3-8-2015 only to the following categories, even if power connection is under Industrial or commercial category.

1. Residential - All types of residential buildings.
2. Institutional - Schools, Health institutes, Educational institutes, R&D institutions.
3. Government - Both central and state Government buildings including PSUs, Panchayati Raj buildings, Government owned system.
4. Social sector - Community centers, Welfare homes, Establishment of common use.

Domestic Content Requirement will be applicable only to those installations where 15 % CFA has been provided. This CFA will be provided through nodal agencies, SECI, IREDA, PSUs of Central and State Government, Empanelled Government agencies.

The additional benefits are also available in the scheme apart from subsidy like Accelerated depreciation benefits for Industrial and commercial buildings, Custom duty concessions and excise duty exemption, 10 years tax holiday, Provision of bank loan as a part of home loan, Loan from IREDA at concessional interest rate