



**Press Information Bureau  
Government of India  
Cabinet Committee on Economic Affairs (CCEA)**

03-October-2013 21:03 IST

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**Setting up of 750 MW of Grid connected Solar PV Power projects under Batch-1 of Phase-II of Jawaharlal Nehru National Solar Mission with Viability Gap funding support from National Clean Energy Fund**

The Cabinet Committee on Economic Affairs has approved the implementation of a scheme for setting up of 750 MW of Grid-connected Solar PV Power Projects under Batch-1 of Phase-II (2013-17) of the Jawaharlal Nehru National Solar Mission (JNNSM) with Viability Gap Funding (VGF) support from the National Clean Energy Fund (NCEF).

The total VGF requirement for implementation of the scheme is estimated as Rs. 1,875 crore at the rate of Rs.2.5 crore/ MW. The actual requirement will, however, depend on the bid prices. This VGF support is estimated to leverage private investment to the tune of Rs. 5000 crore in setting up of the projects.

The VGF scheme will facilitate setting up of the 750 MW grid connected solar power projects, in mainly the private sector on Build, Own and Operate (BOO) basis at various locations, which will help supplement grid power generation in the country. These projects will also lead to an associated development of their surrounding areas with positive impact on the socio-economic conditions of the local population.

The scheme will be implemented through the Solar Energy Corporation of India (SECI, a Section 25 company set up by the Ministry) in close association with NTPC Vidyut Vyapar Nigam Limited (NTPC). The power generated shall be purchased by SECI at a fixed levelised tariff of Rs.5.45 per kWh for 25 years and sold to willing State Utilities/ Discoms at a fixed tariff of Rs.5.50 per unit for 25 years.

The selection of projects would be done through a process of open competitive bidding for their VGF requirement in order to enable them to supply the solar power to SECI at the fixed tariff of Rs.5.45 per kWh for 25 years.

**Background:**

The JNNSM was launched by the Government in January 2010. The main objective of this Mission is to create a policy and regulatory environment for large scale diffusion of solar energy technologies across the country as quickly as possible. It has laid down, a long-term goal of adding 20,000 MW of grid-connected solar power by 2022, to be achieved in three phases (Phase-I up to 2012-13, Phase-II from 2013 to 2017 and Phase-III from 2017 to 2022).

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