

32/5/2017-Solar Energy Group
Government of India
Ministry of New and Renewable Energy
Grid Solar Division

Block No. 14, CGO Complex,
Lodhi Road, New Delhi – 110003.

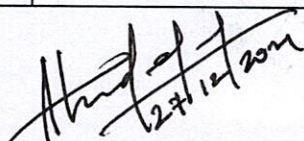
Dated: 27.12.2021.

OFFICE MEMORANDUM

Subject: Amendments in 750 MW, 2000 MW and 5000 MW VGF Scheme guidelines - Timelines for claim submission and disbursement of VGF- Reg.

The undersigned is directed to refer to the guidelines for implementation of scheme for setting up of 750 MW Grid-connected Solar PV power projects under Batch-I of Phase - II with Viability Gap Funding Support from NCEF issued on 25.10.2013, approval for implementation of the scheme Guidelines for Implementation of a scheme for setting up of 2000 MW Grid-connected SPV power projects under Batch-III of JNNSM Phase-II, issued vide this Ministry's O.M. of even number dated 04.08.2015 and Guidelines for Implementation of a scheme for setting up of 5000 MW Grid-connected SPV power projects under Batch-IV of JNNSM Phase-II, issued vide this Ministry's O.M. of even number dated 14-03-2016. It is found that there was no timelines mentioned in the above said guidelines for the submission of VGF claim by the developers and for SECI to release VGF. It is also understood from the review meetings that the major reason for delay in VGF is the delay in creation of charge on project assets. In order to resolve these difficulties, the following additions are being made in the above referred guidelines:

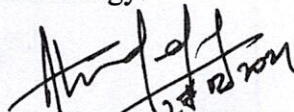
Sl. No.	Scheme	Inserted Para No.	Para
1	750 MW	3.5.	SPDs and SECI will follow the following timeline for the claim submission and disbursement of VGF: i. SPD will submit all future claims (subsequent tranches) within 3 months from the due date of VGF. ii. SECI will disburse the VGF within 3 months from the date of receipt of claim. If any clarification needs to be sought from SPD, SECI may do it within this period of 3 months and SPDs may provide the clarification within one
2	2000 MW	3.17.	
3	5000 MW	3.18.	


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			<p>month from the date clarification was sought. Once clarification is received, that date may be considered as zero date for the disbursement of VGF by SECI.</p> <p>iii. In the case of old pending claims, condition in (i.) will not be applicable. In such pending cases, SPD will submit all required documents to SECI within 6 months from the issuance of this order.</p> <p>In such cases, where there is a delay in submission of claims by SPDs due to non-creation of charge on project assets, VGF may be released upon the submission of Bank Guarantee (BG) equal to the 110% of the VGF amount with an initial validity of 1 year and shall be extended until the process of Charge creation on project assets gets completed in accordance with VGF Securitization Agreement. The extra 10% is kept for meeting the interest which the VGF will be accruing during the period. This extra amount may increase in next year to take care the interest to be accrued in 2nd year and so on. In any case, the developer may be given maximum 3 years from the final due date (3 years from final tranche due date in case of 750 and 2000 MW VGF & 3 years from COD in case of 5000 MW VGF scheme) for submission of documents for creation of charge on land, failing which, claims may not be entertained and the BG submitted by the developer may be encashed by SECI. SPD must ensure the validity of BG until creation of charge on land, failing which SECI may encash the BG prior to its expiry and return the complete amount to MNRE.</p> <p>If any difficulty arises in implementation of these provisions, clarifications/modifications, rectifications of anomalies may be done as per the mechanism for removing difficulties as mentioned in the respective scheme guidelines.</p>
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Handwritten signature
24/12/2022

2. This issues with the approval of Hon'ble Minister, New and Renewable Energy.


(Aravindh M. A.)

Scientist 'C'

To:

1. The Chairman and Managing Director, Solar Energy Corporation of India, 1st Floor, D-3, A Wing, Prius Platinum Building District Centre, Saket, New Delhi – 110017.
2. All Solar Power Developers.

Copy to:

1. PS to Hon'ble Minister, NRE.
2. Sr. PPS to Secretary, MNRE.
3. PS to Adv. (DN).