

Solar Rooftop Financing Program

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Background: The Government of India has set an ambitious target of installation of Grid Connected Rooftop Solar Photovoltaic (GC-RSPV) projects with capacity aggregating 40 GW out of total incremental target of 175 GW of Renewable Energy capacity over the next five years by 2022.

Solar Rooftop Financing Program by SBI

With a view to giving a fillip to this segment, SBI has availed a line of credit from World Bank specifically, for financing GC-RSPV projects across the country through its identified branches. A Customized financial product has been developed by SBI and benchmark parameters for the purpose drawn up

Benchmark parameters and terms & conditions

A Customized financial product has been developed by SBI and benchmark parameters for the purpose drawn up. The benchmark parameters and terms & conditions under the program are as under:

Eligibility Criteria

Sole Proprietorship, Partnership Firm/ including LLP and Company/ Special Purpose Vehicle (SPV)/NBFC Borrower or their parent company/ sponsor should have:

- at least 1 year experience/ past track record in power sector, and
- CRA rating of SB-10 & better and/or ECR of Investment grade

Branches identified for handling this business

All Corporate Account Group Branches (Project debt component above Rs 500 cr.), Commercial Clients Group Branches (Project debt component above Rs 50 cr and upto Rs 500 cr.), and SME Branches (loan upto Rs 50 cr

Loan amount : Upto 75% of project cost.

Loan Repayment Period (Maximum): Door to Door tenor upto 15 years.

Type of Facility

- Term Loan
- Need based Working Capital against receivables
- Need based NFB (LC/BG) facility

Solar Rooftop Financing Program by Punjab National bank

Like SBI, PNB is also financing solar Rooftop program.

PNB has availed a line of credit of \$ 500 Million from Asian Development Bank for financing Rooftop Photovoltaic Solar Power Projects. A customized scheme has been formulated by the bank

Its target Group include;

Sole proprietorship firms, partnership firms including Limited Liability Partnership (LLP), Limited Companies, Private Limited companies, Trusts, Associations, Special Purpose Vehicle (SPV), Non Banking Finance Companies (NBFCs) and Registered Societies

Extra Reading