

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:3321
ANSWERED ON:31.08.2012
RISK GUARANTEE FUND
Jaiswal Dr. Sanjay

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has established Risk Guarantee Fund (RGF) to mitigate the market risk associated with renewable energy projects;
- (b) if so, the details thereof;
- (c) whether it covers all renewable energy sources in both grid-connected and off-grid projects;
- (d) if so, the details thereof; and
- (e) the size of RGF fund during 2011-12 and 2012-13 along with the amount sanctioned against default?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

- (a): No, Madam. However, a Payment Security Scheme (PSS) for grid connected solar power projects under the Jawaharlal Nehru National Solar Mission (JNNSM) has been established by the Government.
- (b),(c)&(d): A Gross Budgetary Support not exceeding Rs.486.05 crore is provided for the PSS to facilitate creating a Solar Payment Security Account as a payment risk mitigation strategy in the event of default by State Utilities/Discoms.
- (e): The size of PSS for the year 2011-12 and 2012-13 is Rs.2.0 crore and Rs.56.32 crore, respectively.