F.No. 32/54/2018-SPV Division
Government of India
Ministry of New and Renewable Energy
****

Atal Akshay Urja Bhawan
Lodi Road, New Delhi - 110003
Date: 25th November, 2026

OFFICE MEMORANDUM

Subject: Clarification regarding detailed milestone for release of CFA under Component-C (FLS) of PM-KUSUM and timeline for Financial Closure under Component A and Component C -reg.

In continuation to this Ministry's Office Memorandum of even number dated 05.04.2024, on the above subject, and with reference to the detailed milestones prescribed therein for release of CFA under Component C (FLS) of PM KUSUM, the following clarifications are hereby issued:

Clause	May be read as
Clause 2 Column (4) The 30% CFA would be released to DISCOMs on submission of documents duly verified and signed by DISCOMs The DISCOM shall transfer the CFA to the RPG/Developer	The 30% CFA would be released to **DISCOMs/SIAs** on submission of documents duly verified and signed by **DISCOMs/SIAs** The **DISCOM/SIAs** shall transfer the CFA to the RPG/Developer
Clause 2 Column (4) The second instalment would be released to the DISCOM The DISCOM would transfer the funds to lender/financier in case the project is under financing, otherwise release to RPG/Developer.	The second instalment would be released to the **DISCOM/SIA** In case of the projects financing through Financial Institutions / Banks, the second instalment of CFA released by the Ministry (through DISCOM / SIA) shall be adjusted / credited directly in the loan account of the Project Developer / Renewable Power Generator (RPG), as per the terms of the financing arrangement and the Escrow Agreement, wherever applicable. The DISCOM / SIA shall ensure that the CFA is transferred to the lender / financier for adjustment in the loan account and intimate the same to the Project Developer / SPG. The option may be provided to SPG either to reduce the monthly pay out or reduce the loan duration through this adjustment.

Clause 2 Column (4) The final instalment would be released to the DISCOM. The DISCOM would transfer the funds to lender/financier in case the project is under financing, otherwise release to RPG/ Developer.	The final instalment would be released to the **DISCOM/SIA.** In case of the projects financing through Financial Institutions / Banks, the final CFA released by the Ministry (through DISCOM / SIA) shall be adjusted / credited directly in the loan account of the Project Developer / Renewable Power Generator (RPG), as per the terms of the financing arrangement and the Escrow Agreement, wherever applicable. The DISCOM / SIA shall ensure that the CFA is transferred to the lender / financier for adjustment in the loan account and intimate the same to the Project Developer / SPG. The option may be provided to SPG either to reduce the monthly pay out or reduce the loan duration through this adjustment.

2. All other terms and conditions of the aforesaid OM dated 05.04.2024 shall remain unchanged.

3. Further, vide OM dated 28.09.2026, last date of financial closure under the scheme was notified as 30.11.2026. In order to facilitate implementation of eligible projects it has been decided to extend the last date for achieving financial closure under Component A and Component C till 31.12.2026. However, the timeline for completion of PM-KUSUM projects will be 31.03.2027 in cases where the PPA has been signed/NTP has been issued on or before 31.12.2025. No further extension of the timeline for completion of projects under PM-KUSUM shall be granted beyond 31.03.2027.

This is issued with the approval of the Competent Authority.

Yours Sincerely,

25/11/26

(Dr Nikhil Gakkhar)
Scientist D

To,
All SIAs of PM KUSUM scheme

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2. IFD, MNRE
3. Guard File