

PM-KUSUM

For Prelims: PM-KUSUM, Mahatma Gandhi National Rural Employment Guarantee Act, Agriculture Infrastructure Fund (AIF), Priority Sector Lending (PSL) Guidelines, Ground water resources

For Mains: Recent Significant Developments in PM KUSUM, Major Challenges Related to PM-KUSUM.

Source: PIB

Why in News?

The **Union Minister of New Renewable Energy** furnished the **current status of the** <u>Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM KUSUM)</u> scheme through a written response in Lok Sabha.

What is PM-KUSUM?

About:

- The PM-KUSUM is a flagship scheme initiated by the Indian government in 2019 with the primary objective of transforming the <u>agricultural sector</u> by promoting the <u>adoption</u> of solar energy solutions.
- It operates on a demand-driven approach. Capacities are allocated based on the **demands** received from various states and union territories (UTs).
- Through various components and financial support, PM-KUSUM envisions achieving a significant solar power capacity addition of 30.8 GW by March 31, 2026.

Objectives of PM-KUSUM:

- De-dieselisation of the Farm Sector: The scheme aims to reduce the dependence on diesel for irrigation by encouraging the use of <u>solar-powered pumps</u> and other renewable energy sources.
 - It also seeks to increase farmers' income by **reducing irrigation costs through the use of solar pumps** and enabling them to sell surplus solar power to the grid.
- Water and Energy Security for Farmers: By providing access to solar pumps and promoting solar-based community irrigation projects, the scheme aims to enhance water and energy security for farmers.
- Curbing Environmental Pollution: Through the adoption of clean and renewable solar energy, the scheme aims to mitigate environmental pollution caused by conventional energy sources.

Components:

- Component-A: Setting up of 10,000 MW of Decentralized Ground/Stilt Mounted Solar Power Plants on barren/fallow/pasture/marshy/ cultivable land of farmers.
- **Component-B:** Installation of 20 Lakh Stand-alone Solar Pumps in off-grid areas.
- **Component-C:** Solarisation of 15 Lakh **Grid Connected Agriculture Pumps** through: Individual Pump Solarisation and Feeder Level Solarisation.

Recent Significant Developments:

• Extension of Scheme Duration: PM-KUSUM has been extended until March 31, 2026,

- to facilitate wider adoption of solar energy solutions among farmers.
- **State-Level Tendering:** State level tendering is allowed for the procurement of standalone solar pumps, making the process more streamlined and efficient.
- Inclusion in AIF and PSL Guidelines: The solarization of pumps under PM-KUSUM has been included in the <u>Agriculture Infrastructure Fund (AIF)</u> and <u>Priority Sector Lending</u> (<u>PSL) Guidelines</u> of the <u>Reserve Bank of India (RBI)</u>, making it more accessible for farmers to access finance.

Note:

- Agriculture Infrastructure Fund (AIF): The AIF is a financing facility launched on July 8, 2020 for creation of post-harvest management infrastructure and community farm assets.
 - Under this scheme, Rs 1 lakh crore is to be disbursed by financial year 2025-26 and the interest subvention and credit guarantee assistance will be given till the year 2032-33.
- Priority Sector Lending (PSL): The RBI mandates banks to lend a certain portion of their funds to specified sectors, like agriculture, Micro, Small and Medium Enterprises (MSMEs), export credit, education, housing, social infrastructure, renewable energy among others.
 - All <u>scheduled commercial banks</u> and foreign banks (with a sizable presence in India)
 are mandated to set aside 40% of their <u>Adjusted Net Bank Credit (ANDC)</u> for lending to
 these sectors.

Major Challenges:

- **Geographical Variability:** Different regions in India have **varying solar radiation levels,** which can impact the efficiency and performance of solar installations.
 - Also, the effectiveness of solar pumps is contingent on sufficient sunlight, which can be challenging during periods of heavy cloud cover or in regions with prolonged monsoons.
- Land Availability and Aggregation: The availability of suitable land for solar projects and the aggregation of fragmented land parcels pose challenges in setting up largescale solar installations.
 - Land acquisition and aggregation can be time-consuming and may lead to delays in project execution.
- **Inadequate Grid Infrastructure:** In regions where the **grid infrastructure** is **weak or unreliable,** integrating solar power into the grid can be challenging.
 - This can limit the benefits of the scheme, **especially for farmers looking to sell surplus solar power back** to the grid.
- Lack of Water Regulation: With the adoption of solar pumps, there may be a surge in irrigation demand as farmers find it more accessible and cost-effective to pump water from underground sources.
 - The absence of proper water management practices could exacerbate overextraction through solar pumps and impact the long-term sustainability of ground water resources.

Way Forward

- Mobile Solar Pumping: Implement mobile solar pump stations that can be moved to different locations based on irrigation needs.
 - This flexibility can enhance water access for farmers in remote or changing agricultural areas.
- Water Regulation and Monitoring: Implement effective water regulation policies and monitoring mechanisms to control groundwater extraction.
 - The government should **collaborate with local authorities to establish water extraction limits** based on aquifer recharge rates and overall water availability.
- Linking it with MGNREGA: To enhance the impact of PM-KUSUM and promote rural employment, the scheme can be linked with the <u>Mahatma Gandhi National Rural Employment Guarantee</u> <u>Act (MGNREGA).</u>
 - MGNREGA can support the installation of micro-irrigation systems, like drip and sprinkler irrigation, to complement the use of solar pumps.

 This combination can significantly improve water-use efficiency and crop productivity.

UPSC Civil Services Examination Previous Year Question (PYQ)

<u>Mains</u>

Q. India has immense potential of solar energy though there are regional variations in its developments. Elaborate **(2020)**

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