

No.1/04/2021-EC
Government of India
Ministry of Power

Shram Shakti Bhavan, Rafi Marg,
New Delhi, dated 27th March, 2025

To,
Director General,
Bureau of Energy Efficiency.

Subject: Operational Guidelines of ADEETIE (Assistance in Deploying Energy Efficient Technologies in Industries & Establishments) scheme for a period from 2025-26 to 2027-28– Reg.

Sir,

I am directed to refer to the scheme titled as "Assistance in Deploying Energy Efficient Technologies in Industries & Establishments (ADEETIE)" which is a Central Sector Scheme to facilitate MSMEs in adopting energy-efficiency measures through interest subvention and handholding. The hand-holding to MSMEs includes Investment Grade Energy Audits (IGEA), preparation of Detailed Project Reports (DPRs) and Monitoring & Verification.

2. The operational guidelines for the implementation of the ADEETIE scheme is enclosed at **Annexure** for kind information and circulating it among the stakeholders.

3. This issues with the approval of Competent Authority.

Yours faithfully,

Encl: As above

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27.03.2025
(Saket Kumar Sinha)

Under Secretary to the Government India

Tel no: 2306 1623

Copy for information to,

- i. Secretary, Department of Expenditure, Ministry of Finance
- ii. Sr.PPS to Secretary, MoP
- iii. Sr. PPS to Additional Secretary(SN), MoP/DG, BEE
- iv. Sr. PPS to Additional Secretary (AT), MoP
- v. PPS to JS & FA, MoP
- vi. PPS to CE (EC,ET&EV), MoP
- vii. PPS to Director (EC,ET&EV), MoP
- viii. Secretary, BEE

Annexure

Operational Guidelines of ADEETIE (Assistance in Deploying Energy Efficient Technologies in Industries and Establishments) Scheme

ADEETIE Scheme will facilitate MSMEs in adopting energy-efficiency measures through interest subvention and handholding. The handholding includes Investment Grade Energy Audit (IGEA) based Detailed Project Reports (DPRs) and Monitoring & Verification. The Scheme is a Central Sector Scheme.

Eligibility

- i. Micro Small and Medium Enterprises (MSMEs) registered under Udyam portal of Ministry of Micro Small and Medium Enterprises (MoMSME), operational in identified 60 clusters in energy-intensive sectors of Brass, Bricks, Ceramics, Chemicals, Fisheries, Food Processing, Forging, Foundry, Glass & Refractory, Leather, Paper, pharmaceutical, Steel Re-Rolling, and Textiles will be eligible for the scheme.
- ii. Micro, Small and Medium Enterprises seeking loans from Banks and Financial Institutions would be eligible for an interest subvention.
- iii. Loan amounts ranging between Rs 10 lakh to Rs 15 Cr will be eligible.
- iv. Debt funding up to 75% of the project cost will be eligible for interest subvention.
- v. The projects that achieve a minimum 10% energy savings and sustain it during the scheme period will only be eligible to receive annual interest subvention.

Ineligibility

- i. Interest subvention will be available only for loans availed for new projects (energy efficient technology) and will not be available for projects already implemented or to the projects benefited under other schemes or refinanced.
- ii. Beneficiaries whose loan accounts have been declared Non-Performing Assets (NPA) are not eligible.

Benefits

- i. Interest subvention will be provided at the rate of 5% for micro and small enterprises and 3% in the case of medium enterprises.
 - a. The interest subvention will be paid only for three years irrespective of loan tenure.
 - b. Interest subvention will be credited to the loan account of beneficiaries through Lending Institutions.
- ii. The scheme will provide technical support in preparation of IGEA based DPRs through Certified Energy Auditors (CEA), Certified Energy Managers (CEM) and Energy Auditing Firms. The scheme will reimburse up to Rs.1,00,000 per IGEA based DPR, if the project is approved by any Lending Institution.

Further, preference would be given to local CEAs/CEMs and Auditing firms for preparation of IGEA based DPRs if available.

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- iii. Energy auditors will undertake Monitoring, Reporting and Verification (MRV) of the projects. The expenditure on MRV will be borne by Bureau of Energy Efficiency (BEE).

Institutional Framework

- i. **Steering Committee (SC)** will be chaired by Additional Secretary, Ministry of Power (MoP), comprising Department of Economic Affairs (DEA), MoMSME, as members, and Director General (DG), BEE as convener of the Committee. The Chair may co-opt other members as required. The Committee will monitor and review the scheme implementation.
- ii. **Implementation Committee (IC)** will be chaired by Director General, BEE and comprising representatives from State Designated Agency (SDA) concerned, Central Nodal Agency (CNA) and Director, Ministry of Power as members. The Chair may co-opt other members as required.
- iii. **Technical Committee (TC)** will be chaired by DDG, BEE comprising representatives of MoMSME, and two subject matter experts nominated by DG BEE and Director, BEE as convener. The Chair may co-opt other members as required. This committee will recommend the IGEA based DPRs for financing and accept the MRV reports.
- iv. **Project Management Unit (PMU)** shall be engaged by MoP through BEE which will assist in implementing the scheme and preparation of DPRs. Further BEE shall engage CEAs, CEMs and Energy Auditing Firms to conduct investment grade energy audits and Monitoring, Reporting and Verification (MRV). PMU will be supervised by **Implementation Committee** for its functioning.
- v. **Central Nodal Agency (CNA)**- Suitable financial institution shall be empanelled as CNA to channelize the interest subvention amount to the lending institutions and for monitoring the progress of loan disbursement.
- vi. **Lending Institution** - Any scheduled commercial bank, Public Financial Institutions and Non-Banking Finance Companies (NBFC) may be the Lending Institution.
- vii. Annual assessment of energy savings achieved by the MSMEs post deployment of energy efficient technologies under the scheme would be carried out during the operational period of the scheme.

Implementation Process

- i. Scheme Portal (end-to-end) will be developed by PMU. The portal serves:
 - Registration of MSMEs desirous of availing benefits of scheme
 - Submission of IGEA based DPRs
 - Approval of IGEA based DPRs
 - Submission of loan applications to lending institution
 - Approval by lending institution
 - Assessment of energy savings and submission of MRV reports
 - Release of subvention amount by BEE to CNA
 - Disbursal of subvention amount by CNA to loan accounts of beneficiaries with respective lending institution.
 - Grievances redressal, Financial Audits, Reporting and other associated activities.

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- Repository of scheme related data.
- ii. Awareness campaigns would be organised in the identified clusters by BEE with the assistance of PMU.
- iii. Interested MSMEs would register on the Scheme Portal with their submission of expression of interests (EoI) for energy efficiency projects.
- iv. Technical Committee will scrutinize the EoIs for suitability and recommend for IGEA based DPRs.
- v. Technical Committee will guide MSMEs to submit the proposal for financing after preparing IGEA based DPRs.
- vi. Baseline specific energy consumption would be established for each beneficiary MSME.
- vii. The Bank/FIs will update the status of the sanctioned loan on the scheme portal.
- viii. On successful financing of the project, the MSMEs shall immediately proceed with technology implementation.
- ix. After implementation of the project, MSMEs shall submit the project completion certificate to the Bank/FI and PMU.
- x. After completing the verification of the implemented project by Bank/FI, lending Bank/FI will raise the interest subvention claims on the scheme portal for each project.
- xi. MRV will be carried out on a regular basis to confirm the energy savings and its sustainability with respect to the baseline data post deployment of energy efficient technologies under this scheme. Upon successful achievement of energy savings, interest subventions will be released by BEE to the beneficiary loan account through CNA.
- xii. Any increase in interest amount due to delay in loan repayments by beneficiary shall be borne by beneficiary themselves.
- xiii. Lending Institutions will share details of loan disbursement status, repayment made by beneficiaries, interest paid and interest subvention claims to CNA/PMU through the Scheme Portal.
- xiv. Implementation Committee will examine the claims submitted by lending Institutions on sample basis and BEE will release interest subventions to CNA.
- xv. No applications for new enrolment under this Scheme will be accepted from eligible MSMEs after 31st March, 2028.
- xvi. Interim Impact assessment of scheme will be carried out after FY 2026-27 by third party to prepare and submit an interim report by FY 2027-28. Final assessment will be carried out after FY 2027-28 by the third party.
- xvii. Dispute redressal under the scheme will be handled by the Implementation Committee and the decisions of Steering Committee shall be binding on all the parties.
- xviii. Detailed implementation guidelines will be issued separately by BEE with the approval of the Steering Committee.

Implementation Period

The implementation period of the scheme shall be from 2025-26 to 2027-28. Committed liability of the scheme shall be up to 2030-31.

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Funding

- i. The Government Budgetary Support on interest subvention will be limited to Rs 875 crores. Out of this, at least Rs 613 Crore shall be **allocated** to micro and small enterprises and up to Rs 262 Crore shall be **allocated** to medium enterprises.
- ii. The total expenditure of the scheme for IGEA based DPRs shall be Rs 50 Crore, with a maximum cost per IGEA based DPR of Rs 1.0 Lakh.
- iii. PMU fee will be restricted to 2% of the budget outlay of Rs 925 Cr.
- iv. The expenditure on MRV will be borne by BEE from its **internal revenues**.
- v. Cost of onboarding CNA for the scheme, **Awareness Campaign**, and other implementation charges will be borne by BEE.

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Appendix- List of Identified Sectors and Clusters

Bricks

Bengaluru
Begusarai
Indore
Nagpur
Tripura

Steel Re-Rolling

Mandi Gobindgarh &
Ludhiana
Jaipur
Jalna
Raipur

Textile

Ludhiana
Surat
Tirupur
Solapur
Panipat

Pharma

Baddi
Medak region
Madgaon
Ahmedabad
Bidar

Fisheries

Kochi
Bhuvneshwar
West Godavari

Chemicals

Ankleshwar
& Panoli
Jamshedpur
Karnal
Thane
Vapi

Leather

Kanpur
Kolkata
Pallavaram
Jalandhar

Ceramics

Morbi Region
Thangadh
Khurja

Foundry

Batala,
Jalandhar, Ludhiana
Howrah
Rajkot
Belgaum
Coimbatore

Paper

Muzaffarnagar-
Saharanpur
Kashipur
Vapi
Coimbatore & Erode

Food Processing

Ganjam & Nayagarh
Kaithal
Ludhiana
Pune

Forging

Bangalore
Pune
Delhi-NCR
Chennai
Ludhiana

Brass

Jagadri
Jamnagar
Moradabad
Salem

Glass & Refractory

Ambala
Chirkunda
E & W Godavari
Firozabad

.....END OF GUIDELINES.....

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