



## SINDH SOLAR ENERGY PROJECT: COMPONENT 3

# NOTIFICATION OF GRANT AMOUNT FOR SHS INSTALLATIONS

Date of issuance: 28<sup>th</sup> March, 2022

### 1. INTRODUCTION

This document forms part of the “Grant Agreement for Supply of Solar Home Systems” signed between Sindh Energy Department (“First Party”) and a number of private supply firms (referred to as the “Second Party” in each Agreement) under Component 3 of the Sindh Solar Energy Project (the “Project”). It provides notification of the grant amount available to eligible suppliers for installation of Solar Home Systems (SHSs) in conformity with the requirements and conditions of the Agreement.

This document, and the notified grant amount, may be revised from time to time, in line with the procedures outlined in the Grant Agreement. The grant amount outlined in this document shall apply from the date of issuance of this document for all SHS installations carried out on or after this date.

### 2. GRANT AMOUNT

The grant amount has been calculated on the basis of cost of SHS, although SHS suppliers shall be free to offer for sale any sized system that meets or exceeds the minimum specifications outlined in the accompanying document “Technical Requirements for SHS Installations”, and shall be free to determine the prices for all eligible SHSs offered for sale under this Project.

For each compliant SHS installation the First Party shall provide, on behalf of the beneficiary household/customer, a grant equal to **40% of the total SHS sale price with an upper limits as follow:**

- 1. Without MFI if the product sold on cash then 40% of the total SHS sale price with an upper limit USD 98 (will be paid in PKR at the prevailing rate) per grant for 200,000 SHS sold to households as decided by SED.**
- 2. With MFI if the product sold on installments with interest charges then 40% of the total SHS sale price with an upper limit USD 122 (will be paid in PKR at the prevailing rate) per grant for 200,000 SHS sold to households as decided by SED.**

The procedures for submitting details of SHS sales/installations, the timeline and breakdown of the grant payment, and other related details are contained in the accompanying document “General Procedures for SHS Installations”.