

Incentives to solar industry

58. SHRI DEVENDER GOUD T.: Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) the details of exemptions and incentives that the Budget 2016-17 has given to solar industry;

(b) to what extent exemptions and incentives given would help the solar industry to achieve its target of 1.75 lakh MW;

(c) whether it is a fact that the industry wanted to allow pension funds to be invested in renewable assets;

(d) if so, the details thereof and whether any proposal has been sent to the Ministry of Finance for this purpose; and

(e) if so, what is the reaction of that Ministry?

THE MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI PIYUSH GOYAL): (a) In the budget 2016-17, following two announcements were relevant to Solar Industry:

- (i) Cess on Coal production increased from ₹ 200 to ₹ 400 per tonne.
- (ii) Accelerated Depreciation decreased from 80% to 40%.

(b) The increased cess on coal production would help in availability of funds for Renewable Energy projects. Further, the Government is providing the following fiscal and promotional incentives for promoting solar industry:-

- capital and/or interest subsidy,
- tax holiday on the earnings for 10 years,
- generation based incentive,
- accelerated depreciation,
- viability gap funding (VGF),
- financing solar rooftop systems as part of home loan,
- concessional excise and custom duties,
- preferential tariff for power generation from renewables, and
- Foreign direct investment up to 100 per cent under the automatic route.

In addition power is offered at lower tariff through schemes like bundling with thermal power and VGF.

- (c) This Ministry has not received any such proposal.
- (d) No such proposal has been sent to Ministry of Finance.
- (e) Question does not arise.

Solar power generation in West Bengal

59. SHRI VIVEK GUPTA: Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) the State-wise details of funds allocated and released, persons benefited and progress attained under various projects including development of solar parks, development of solar power plants on canal banks/tops, solar projects for defence establishments, solar power projects for CPSUs as well as roof-top solar installation etc. during the last two years;

(b) whether the Ministry is aware that despite having tremendous potential for solar power generation, West Bengal possesses less than 2 per cent of the total commissioned capacity in the country; and

(c) the steps taken by the Ministry to address this issue?

THE MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI PIYUSH GOYAL): (a) In major schemes, consolidated funds are released to various organisations such as Solar Energy Corporation of India (SECI), Indian Renewable Energy Development Agency (IREDA) etc., (therefore State-wise information is not available. The State-wise details of release of funds in few schemes are given in Statement (*See* below). A total capacity of 4130 MW has been added in the last two years. Around 660 Million Units of electricity is estimated to be generated every year from this capacity, which is benefiting the people of the country.

(b) West Bengal has commissioned solar capacity of 7.77 MW against estimated potential of 6260 MW. Projects in various States are sanctioned on the basis of proposals submitted by State Government.

(c) The Government is providing a range of fiscal and financial incentives for promotion of Solar energy under various schemes. These include capital and/or interest subsidy, tax holiday on the earnings for 10 years, generation based incentive, accelerated depreciation, viability gap funding (VGF), financing solar rooftop systems as part of