

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:2524

ANSWERED ON:08.12.2006

SOLAR WATER HEATING SYSTEM

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Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has prepared any plan to accelerate the development and deployment of solar water heating system across the country;
- (b) if so, the details thereof;
- (c) the number of solar water heating system deployed during the last three years in public buildings and private households under the plan; and
- (d) the steps taken by the Government to popularize the said programme in rural areas of the country?

Answer

MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI VILAS MUTTEMWAR)

(a) & (b): A scheme for promotion of solar water heaters is being implemented through banks and financial institutions for accelerated development and deployment of solar water heating systems in the country which provides for upfront interest subsidy so that loans are available at an effective interest rate of 2% to domestic users, 3% to institutions and 5% to commercial establishments. 26 banks and financial institutions are participating in the implementation of the scheme. Capital subsidy equivalent to upfront interest subsidy is also available to registered institutions and commercial establishments that do not avail loans.

(c): A total of around 7.5 lakh sq. m. of collector area was installed for solar water heating systems during the last three years. Besides, installations in public institutional buildings, industry and commercial establishments, about 2.5 lakh homes are estimated to have been covered during this period.

(d): Steps taken to promote the use of solar energy in the country include financial assistance for installation of solar energy devices/ systems through capital subsidy or interest subsidy, depending on the type of system and end-use application; and various promotional measures by State Governments. Though the scheme is open to urban as well as rural areas, solar water heaters are becoming popular mainly in the urban areas. Water heating in rural areas in most parts of the country is not a priority requirement.