

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

STARRED QUESTION NO:78
ANSWERED ON:12.11.2010
INSTALLATION OF ENERGY EFFICIENT TECHNOLOGIES
Gandhi Shri Feroze Varun

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes tax incentive for promoting installation of energy conservation/improvement technologies in the real estate sector;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) the details of steps being taken by the Government to promote installation of energy efficient technologies in the real estate sector in the country?

Answer

THE MINISTER OF POWER(SHRI SUSHILKUMAR SHINDE)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 78 TO BE ANSWERED IN THE LOK SABHA ON 12.11.2010 REGARDING INSTALLATION OF ENERGY EFFICIENT TECHNOLOGIES.

(a) to (c) : The Income-tax Act 1961 (the `Act`) read with Income-tax Rule 1962 (the `Rules`) provides tax incentive in the form of accelerated depreciation at the rate of 80% for installation of energy saving devices as against the normal rate of depreciation of 15% on plant & machinery. The list of energy saving devices on which accelerated depreciation at the rate of 80% is allowable is enclosed at Annex-A. Moreover, the `Act` read with the `Rules` also provides tax incentive in the form of accelerated depreciation at the rate of 80% for installation of renewable energy saving devices. The list of renewable energy saving devices on which accelerated depreciation at the rate of 80% is allowable is at Annex-B. The tax incentive in the form of accelerated depreciation for installation of energy saving devices and renewable energy is available to all the sectors including the real estate sector.

The central excise duty has been reduced on LED lights or fixtures from 8 percent to 4 percent, vide notification No.12/2010-Central Excise dated 27.02.2010.

(d) : A scheme `Energy Conservation Building Codes (ECBC) and implementing Energy Efficiency in existing buildings` at an approved cost of Rs. 13.99 crores is under implementation during the XI Plan. Energy Conservation Building Code (ECBC) sets minimum energy performance standards for new commercial buildings having a connected load of 100 kW. Energy efficiency measures in existing buildings are also being carried out through retrofitting. Some of the activities undertaken include the following:-

- (i) More than 50 workshops for creating awareness on ECBC among 5000 design professionals / architects have so far been held.
- (ii) Under the scheme a panel of 45 ECBC expert architects /consultants have been empanelled by the Bureau of Energy Efficiency who provide counseling to Government agencies /developers for construction of code compliant buildings.
- (iii) Tip sheets on the Building Envelope, HVAC (Heating, Ventilation, and Air Conditioning), Lighting, and Building Simulation have been developed and put in the public domain for ease of understanding of the ECBC.
- (iv) ECBC User Guide has been prepared that aims to guide and assist the building designers, architects and all the other involved in the building construction industry to implement ECBC in real situation and comply with the requirements of ECBC. This is additional support, complementing that provided by the BEE empanelled expert architects for developing code compliant buildings.
- (v) A process to incorporate climate specific ECBC guidelines with the State municipal bye-laws has been initiated with some municipalities and urban town planning agencies.
- (vi) A star rating programme for office buildings has been launched. The programme would rate office buildings on a scale of 1-5 with the 5- star labeled buildings being the most energy efficient. 110 office buildings have been found eligible for awarding the Bureau of

Energy Efficiency star label.

In addition to the above, in order to promote energy efficient technologies, labeling of products and appliances such as Distribution Transformers, Air- Conditioners, Tubular Fluorescent Lamps (TFLs), Refrigerators, Geysers, Pump-sets and Motors have been taken up.