

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

UNSTARRED QUESTION NO:3829  
ANSWERED ON:16.12.2011  
INCENTIVES FOR RENEWABLE ENERGY EQUIPMENT  
Singh Shri Ravneet

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

- (a) whether the Government proposes to give certain financial incentives to people belonging to economically marginalized sections of society for purchase of renewable energy equipments;
- (b) if so, the details thereof;
- (c) the incentives given by the Government to the manufactures of solar equipments ; and
- (d) the other measures being taken by the Government to popularize the renewable sources of energy?

**Answer**

THE MINISTER OF NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a): The Government is already providing Central Financial Assistance (CFA) / Incentives ranging between 30 to 100% of costs of deployment/ purchase of various types of renewable equipment to people, including those belonging to economically marginalized sections of society, depending on location and user category.

(b): Details of the CFA/ incentives being provided for various off-grid/ decentralized renewable energy systems/ devices are given in Annexure.

(c): Incentive of excise duty exemption is available to manufactures of solar equipments. Benefit of nil/ concessional customs duty on import of some of the equipment, raw materials, components and products used in manufacture of solar energy equipment is also available.

(d): The Government has taken several measures to popularize use of renewable sources of energy in the country. These include:

# Provision of fiscal and financial incentives, such as, capital/ interest subsidy, accelerated depreciation, nil/ concessional excise and customs duties.

# Encouraging private investment in renewable power projects through additional measures like Generation Based Incentives, Renewable Power Purchase Obligations and Preferential Tariffs in most potential States; etc.

# Jawaharlal Nehru National Solar Mission initiated in January 2010 to promote large scale deployment of solar energy systems.

# Supporting sector specific seminars/ workshops/ training programmes.

# Extensive publicity and awareness on the use of renewable energy systems/ devices through print, postal and electronic media.