

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

UNSTARRED QUESTION NO:4743
ANSWERED ON:04.05.2012
TECHNOLOGY FOR RENEWABLE ENERGY SOURCES
Rai Shri Prem Das

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

- (a) whether the Government proposes to attract investment into technology needed to develop renewable energy sources; and
(b) if so, the details thereof?

Answer

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

(a): Yes, Madam.

(b): The Government has taken several measures to attract private investment in setting up projects utilizing latest/ advanced technologies for harnessing renewable energy for power generation. These include the following:

Private sector companies are partnering with government and co-investing in R&D and technology development.

Fiscal and financial incentives, such as, capital / interest subsidies, accelerated depreciation, nil/concessional excise and customs duties;

Preferential tariff for grid interactive renewable power in most potential States following the provisions made under the National Electricity Policy 2005 and National Tariff Policy 2006; Uniform guidelines by CERC for fixation of such preferential tariffs being issued every year;

Jawaharlal Nehru National Solar Mission launched to facilitate large scale capital investment in solar energy sector; Payment Security Mechanism for grid connected Solar Power Projects under the Mission.

The Government also has an attractive policy to encourage transfer of foreign technologies, including those in renewable energy sector. FDI up to 100% under the automatic route is permitted in Renewable Energy Generation and Distribution projects subject to provisions of Electricity Act, 2003.