

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

UNSTARRED QUESTION NO:4245  
ANSWERED ON:07.08.2014  
INVESTMENT IN RENEWABLE ENERGY SECTOR  
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**Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:**

- (a) the details of investment in the new and renewable energy sector in the country during the last three years and the current year, State-UT and year-wise;
- (b) whether the investment in the said sector has declined, if so, the details thereof and the reasons therefor;
- (c) the details of the steps taken/being taken by the Government to attract investments from both within the country and overseas with a view to add power and to meet the target set for generation of power through renewable energy sources;
- (d) whether any consultation has been held with the Ministry of Finance for providing certain additional incentives to this sector and if so, the details thereof; and
- (e) the details of the private sector companies that are partnering with Government and co-investing in R&D and technology development?

**Answer**

THE MINISTER OF STATE FOR POWER, COAL & NEW AND RENEWABLE ENERGY (INDEPENDENT CHARGE) (SHRI PYUSH GOYAL)

- (a): As per the United Nations Environment Programme and Bloomberg New Energy Finance joint report titled "Global Trends in Renewable Energy Investment 2014" the investment in renewable energy sector in India for the year 2011, 2012 and 2013 was US \$ 12.6 billion, US \$7.2 billion and US \$6.1 billion respectively. The renewable energy investment in the states was in proportion to their achievements during the period as given in Annexure.
- (b): The decline in investment during the years 2012 and 2013 was due to decline in grid -connected renewable power capacity installations.
- (c): The Government is providing fiscal and financial incentives for promotion of renewable energy. These include capital and/or interest subsidy, generation based incentive, accelerated depreciation, and concessional excise and custom duties, preferential tariff for power generation from renewables. In addition, foreign direct investment up to 100 per cent under the automatic route is permitted. These apart, the Government have a policy to encourage transfer of foreign technologies, including those in renewable energy sector.
- (d): The Ministry consults Ministry of Finance for providing tax incentives, funding of projects under National Clean Energy Fund (NCEF), tax free bonds, external assistance for renewable energy. The consultation process has been regarding restoration of accelerated depreciation for wind energy projects, NCEF support for on-lending to viable renewable energy projects by IREDA and also for creation of intra-state renewable power evacuation infrastructure in the states of Rajasthan and Tamil Nadu.
- (e): The Government has been partnering with private sector companies in research and development of renewable energy technologies. Some such prominent companies are Sun Borne Energy Technologies Pvt. Ltd; Moser Baer India Limited; Mahindra & Mahindra Ltd; Tata Motors Ltd; Kirloskar Oil Engineers Ltd; Abellon Clean Energy Limited; and Kirloskar Integrated Technologies Limited.