

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
RAJYA SABHA
UNSTARRED QUESTION NO. 70
TO BE ANSWERED ON 17.07.2017

INCENTIVES FOR WIND ENERGY INVESTMENT

70. PROF. M.V. RAJEEV GOWDA:

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

- (a) the incentives offered year-wise for wind energy investment for the years 2014-15, 2015-16, 2016-17 and 2017-18;
- (b) whether Government plans to increase available incentives for wind power generation and if so, the details thereof;
- (c) whether generation-based incentive for wind energy stands withdrawn and if so, the reasons thereof; and
- (d) whether accelerated depreciation has been brought down from 80 per cent to 40 per cent and if so, the reasons thereof?

ANSWER

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

(a): During 2014-15, 2015-16 and 2016-17, fiscal and financial incentives offered for wind energy investment included Accelerated Depreciation (AD) of 80% concessional custom duty, special additional duty and excise duty exemption on certain components of wind power generators; and 10 years tax holiday on income generated from wind power projects. In addition, Generation Based Incentive (GBI) was available for the eligible wind power projects not availing AD benefit. GBI of Rs.0.50/unit was provided with a ceiling of Rs. 1.00 crore per MW.

For the year 2017-18 fiscal and financial incentives include Accelerated Depreciation (AD) of 40% and concessional custom duty on certain components of wind power generators.

(b): No Sir.

(c): The Generation Based Incentive Scheme was applicable for wind power projects commissioned up to 31.03.2017 only.

(d): As a step towards phasing out exemptions and reduce the Corporate Tax, the Accelerated Depreciation provided under the IT Act has been limited to maximum 40% from 1.4.2017.
