

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY

LOK SABHA
UNSTARRED QUESTION NO-1424

TO BE ANSWERED ON-26.07.2018

SUBSIDY ON SOLAR PANELS

1424. SHRI BHAIRON PRASAD MISHRA

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

- (a) whether the Government has decided to provide subsidy on solar panels etc. in order to promote solar energy in the country;
- (b) if so, the details thereof; and
- (c) the time by which the said scheme is likely to be implemented ?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER (I/C)
(SHRI R.K. SINGH)

(a) to (c) The Government have launched several schemes for promotion of solar energy in the country which include providing various fiscal and promotional incentives such as capital subsidy, accelerated depreciation, waiver of Inter State Transmission System (ISTS) charges and losses, viability gap funding (VGF), financing solar rooftop systems as part of home loan, and permitting Foreign Direct Investment up to 100 per cent under the automatic route.

The capital subsidy (limited by certain percentage of the benchmark cost of the project) is mainly provided for installation of rooftop solar power plants and off-grid solar PV applications, which include solar panels as part of the installations, as per details given below:

- (i) For rooftop solar plants, capital subsidy up to 70% is provided for NE states, Hilly states and Island UTs. For other states/UTs capital subsidy is 30%.
- (ii) For off-grid solar PV applications capital subsidy up to 30% is provided for solar pumps in agriculture and drinking water sector, capital subsidy up to 90% is provided for solar power packs and solar street lights in case of NE states, Hilly states and Island UTs and up to 30% in case of other states/UTs, capital subsidy up to 85% is provided for solar study lamps, etc.

These schemes are being implemented to achieve the solar capacity target of 100 GW in the country by the year 2022.
