

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
LOK SABHA  
STARRED QUESTION NO. 352  
TO BE ANSWERED ON 13.08.2015

**FOREIGN INVESTMENT IN SOLAR POWER SECTOR**

\*352. SHRI A. T. NANA PATIL :

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

- (a) whether solar energy plants have been/being set up with foreign investment in the country including Maharashtra;
- (b) if so, the details thereof including the investment made by the foreign companies for the purpose, country-wise;
- (c) whether the Government plans to allow firms to bid tariffs in dollar to encourage foreign investment and if so, the details thereof;
- (d) whether the Government proposes to auction around 3500 MW solar power capacity on turnkey basis or the engineering, procurement and construction mode and if so, the details thereof; and
- (e) the other steps taken by the Government for encouraging solar power generation in the country?

ANSWER

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

(a), (b), (c),(d)&(e): A statement is laid on the Table of the House.

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**Statement referred to in reply to parts (a),(b),(c), (d) & (e) of Lok Sabha Starred Question No. 352 to be answered on 13/08/2015 regarding 'Foreign Investment in Solar Power Sector'**

(a): Yes, Madam.

(b): Solar power plants are being set up in the country mostly by private developers. Solar power developers arrange financing from various sources which may include foreign investment as well. The details of solar energy plants under the aegis of the Central Government being set up with major investment from foreign sources is at Annexure-I and those under State initiatives of major solar power producing States is at Annexure-II.

(c): Currently Government has not finalized any plan to allow firms to bid tariffs in dollar to encourage foreign investment.

(d) Government does not auction solar power capacity directly, but some Public Sector Undertakings (PSUs) have given commitments to set up solar power plants which may be auctioned by them on turnkey basis or the engineering, procurement and construction mode. NTPC Ltd. has given commitment for setting up 10,000 MW capacity of solar power.

(e): For encouraging solar power generation in the country, the Government is providing the following incentives to solar power developers:

1. Grant of subsidy on off-grid applications
2. Provision of Renewable Purchase Obligation (RPO) for solar has been made in the National Tariff Policy.
3. Generation Based Incentives (GBI) and facility for bundling power for grid connected solar power projects through various interventions announced from time to time.
4. Grant of Viability Gap Funding (VGF).
5. Renewable Energy Sector has been awarded Priority Sector Lending status
6. Concessional Import duty /Excise duty exemption for setting up of solar power plants, accelerated depreciation and tax holiday.
7. Roof-top Solar PV systems have been made eligible for home loans
8. Tax free green bonds of INR 5,000 crores.
9. Creation of Payment Security Mechanism.
10. Development of solar parks.
11. Setting up of Green Energy Corridors.
12. Waiver of wheeling charges on Inter-State Transmission System (ISTS) network

Annexure-I referred to in reply to part (b) of Lok Sabha Starred Question No. 352 to be answered on 13/08/2015 regarding 'Foreign Investment in Solar Power Sector'

**Solar energy plants under the aegis of the Central Government being set up with major investment from foreign source**

**A. Under Bundling Scheme**

Sl. No.	Name of the project developer	Capacity (MW)	Country	State	Foreign Investment portion of the project cost
1	SEI Solar Power Pvt. Ltd.	20	Singapore	Rajasthan	13.5 million US Dollar
2	Fonroche Saaras Energy Pvt. Ltd.	15	France	Rajasthan	9.49 million Euro
3	Fonroche Raajhans Energy Pvt. Ltd	5	France	Rajasthan	
4	Pokaran Solaire Energy Pvt. Ltd.	5	France	Rajasthan	3.2 million Euro

**B. Under Viability Gap Funding Scheme**

Sl. No.	Name of the project developer	Capacity (MW)	Country	State	Estimated total Investment in the Project (Rs. Cr.)*
1	SEI Sitara Pvt. Ltd.	30	Singapore	Madhya Pradesh	272.10
2	SEI L'Volta Pvt. Ltd.	20	Singapore	Madhya Pradesh	161.40
3	SEI Suryalabh Pvt. Ltd.	30	Singapore	Rajasthan	245.80
4	Focal Photovoltaic India Pvt. Ltd.	10	Cyprus	Madhya Pradesh	76.50
5	Focal Renewable Energy Two India Pvt. Ltd.	10	Cyprus	Madhya Pradesh	76.50
6	Focal Energy Solar One India Pvt. Ltd.	20	Cyprus	Madhya Pradesh	156.36
7	Finnsurya Energy Pvt. Ltd.	10	Netherlands	Madhya Pradesh	82.36
8	Northern Solaire Prakash Private Limited	20	France	Rajasthan	146.00
9	Suryaoday Solaire Prakash Private Limited	10	France	Rajasthan	76.33.00

\*(Figures are for total project cost. The entire project cost can be either fully or partially Foreign Direct Investment (FDI). However, these investment details have not been shared by the investing companies.)

Annexure-II referred to in reply to part (b) of Lok Sabha Starred Question No. 352 to be answered on 13/08/2015 regarding 'Foreign Investment in Solar Power Sector'

**Solar energy plants under the State initiatives of major solar power producing States, being set up with major investment from foreign source**

**A. Andhra Pradesh**

Sl. No.	Name of the project developer	Capacity (MW)	Country	State	Estimated total Investment in the Project (Rs. Cr.)
1	First Solar India Pvt. Ltd.	80	USA	Andhra Pradesh	200 (30% equity component)
2	SunEdison Energy Holding (Singapore) PTE Ltd.	60	Netherlands	Andhra Pradesh	150 (30% equity component)

**B. Punjab**

Sl. No.	Name of the Company	Capacity (MW)	Country	State	Total Approximate Investment (Rs. Cr.)
1	Abundant Energy P. Ltd.	2	USA	Punjab	16.40
2	Allianz Eco Power Limited	2	USA	Punjab	15.50
3	Mokia Green Energy P. Limited	4	Slovakia	Punjab	31.00
4	Solairedirect Projects India Pvt. Limited	20	France	Punjab	150.00
5	Focal Energy Solar India Pvt. Limited	4	Israel	Punjab	32.25

The other major solar power producing States have reported NIL for above.