

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 723**  
TO BE ANSWERED ON 03.12.2015

**COST OF SOLAR POWER**

723. SHRIMATI VANAROJA R.:  
SHRI RAM CHARITRA NISHAD:

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

- (a) whether the Government has finalized the power tariff policy for the renewable energy sector, if so, the details thereof;
- (b) the step taken/proposed to be taken by the Government to make the renewable energy sector self sufficient and self reliant;
- (c) whether the Government proposes to do away with the subsidy culture;
- (d) if so, the details thereof;
- (e) the target fixed by the Government for generation of renewable energy by 2020?

ANSWER

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

(a): Tariff fixation for renewable energy, at present, is guided by Tariff Policy, 2006 notified by Government of India in compliance with section 3 of the Electricity Act 2003. Draft Electricity (Amendment) Bill, 2014 to amend the Electricity Act, 2003 has already been introduced in Lok Sabha.

**(b),(c)&(d):** Government presently continues to provide incentives for the development of renewable energy in the country in the forms of generation based incentives/subsidies, viability gap funding from National Clean Energy Fund (NCEF), fiscal incentives such as accelerated depreciation, concessional customs duty, excise duty exemptions, income tax holiday for 10 years and preferential tariff for renewable energy power projects. The major policy measures initiated by the Government recently to promote the renewable energy and to make it self-reliant, *inter-alia*, include setting up of exclusive solar parks; development of power transmission network through Green Energy Corridor project; identification of large government complexes/ buildings for rooftop projects; provision of roof top solar

and 10 percent renewable energy as mandatory under Mission Statement and Guidelines for development of smart cities; amendments in building bye-laws for mandatory provision of roof top solar for new construction or higher floor area ratio (FAR); infrastructure status for solar projects; making roof top solar a part of housing loan by banks/ NHB; incorporating measures in Integrated Power Development Scheme (IPDS) for encouraging distribution companies and making net-metering compulsory and raising funds from bilateral and multilateral finance and development institutions.

**(e):** The Government has set the target to reach to 175 GW of renewable energy capacity by the year 2022 which includes 100 GW from solar, 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro-power.

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