

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

UNSTARRED QUESTION NO:287

ANSWERED ON:03.07.2009

INCENTIVES TO PROMOTE SOLAR ENERGY PROJECTS

Deo Shri Kalikesh Narayan Singh

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

- (a) the incentives given by the Government to promote renewable energy projects;
- (b) whether Solar Energy Projects are included for incentives given by the Government;
- (c) if so, the details, thereof;
- (d) whether Solar Thermal Power Projects of 50 MW are also eligible for the incentives; and
- (e) if so, the details, thereof?

**Answer**

THE MINISTER OF NEW AND RENEWABLE ENERGY(DR. FAROOQ ABDULLAH)

(a),(b)&(c): The Government is promoting development of the renewable energy sector through a mix of fiscal and financial incentives that include capital/interest subsidy, accelerated depreciation, nil/concessional excise and customs duties. These cover solar energy projects also.

(d)&(e): Solar thermal power projects are also eligible for the incentives mentioned above. However, solar thermal power projects of unit capacity of 50 MW are not eligible for generation based incentives, provided by the Government under the demonstration programme of grid-connected solar thermal power.