

**Rajya Sabha**

Under the Electricity Act 2003, National Electricity Policy 2005 and Tariff Policy 2006 it is obligatory upon State Electricity Regulatory Commissions to fix certain percentage for purchase of power from renewable energy sources in the area of a distribution licensee and to fix preferential tariffs for the same. Replying a question whether Government is considering to make any comprehensive policy for compulsory use of renewable energy resources through biomass, hydropower, wind, solar and municipal waste in the country, particularly for commercial establishments, as well as Government establishment, Minister of State in the Ministry of New and Renewable Sources, Sh Vilas Muttemwar stated this in a written reply in the Rajya Sabha today.

It was further stated that grid-interactive renewable power installed capacity in the country has reached 11,063 MW as on 31.10.2007. The Government has been providing several concessions in the form of fiscal and financial incentives to encourage the use of renewable energy sources. These include capital/interest subsidy, accelerated depreciation, nil/concessional excise and customs duties. Further, as applicable to all new infrastructure projects, profits earned from sale of renewable power are exempt from Income Tax for any 10 years out of the first 15 years of project's operation. This apart, preferential tariff for grid interactive renewable power is being given in most potential States. Publicity and awareness on the use of renewable energy systems / devices is also created through print, postal and electronic media and special events like the Rajiv Gandhi Akshay Urja Diwas are being organised. District-level Advisory Committees have been constituted in the states to facilitate effective coordination of renewable energy schemes / programmes.