

Rajya Sabha

Government provides fiscal and other benefits to promote private investment in all renewable energy sectors including wind energy. The major incentives are provided as per the Income Tax Act under Section 32 Rules 5 and Section 80. Such benefits help the developers of these projects to reduce the capital investment. However, it does not have direct bearing on the tariff rates.

As there are other major factors which effect cost of generation of a wind power project, including plant load factor, capital cost, interest on borrowing etc., the above tax benefits result in a marginal reduction in cost of generation.

These benefits are intended to promote investment in renewable energy sector including wind energy and increasing green power generation.

These benefits are given as per the schedules laid down in the respective Income Tax Act.

Only Type tested wind turbines with a certified power curve as per Indian certification system, aligned to international standards are installed and connected to grid.

This information was given by Minister for New & Renewable Energy in a written reply to a question in Rajya Sabha today.