

**ABOVE 95% UTILIZATION OF FUNDS RELEASED TO STATES FOR DEVELOPMENT OF RENEWABLE ENERGY****Lok Sabha**

The Government has taken several measures including fiscal and financial incentives, preferential tariff for the promotion and proper use of renewable energy systems/ devices in the country. The Fiscal and financial incentives, such as, capital/ interest subsidy, accelerated depreciation, nil/ concessional excise and customs duties; preferential tariff for grid interactive renewable power in most potential States; directives under Electricity Act 2003 to all States for fixing a minimum percentage for purchase of power from renewable energy sources , support for sector specific seminars/ workshops/ training programmes, extensive publicity and awareness on the use of renewable energy systems/ devices through print, postal and electronic media , organization of special events like the Rajiv Gandhi Akshay Urja Diwas and constitution of District-level Advisory Committees in the States to facilitate effective coordination of renewable energy schemes / programmes are promoting the use of renewable energy .

Significant achievements have been made, with the establishment of over 13,700 MW grid-interactive renewable power generation capacity, which is about 9% of the total installed capacity in the country. Of this, about 6795 MW capacity has been added during the 10th Plan, i.e., 2002-07 against the Plan target of 3075 MW. In addition, over 5.5 million off-grid/ decentralized renewable energy systems/ devices, mainly biogas plants and solar photovoltaic lighting systems, have been deployed for provision of basic energy needs of cooking and lighting in rural households.

There are difficulties in the exploration of renewable energy sources in the country. The major constraints faced in this field are inherent intermittent nature of renewable energy sources leading to low capacity utilization factors ranging from about 17% to 70%, depending on resource and location, grid synchronization limitations on account of intermittent nature of supply, relatively higher capital investment compared to conventional power projects; and requirement of preferential tariffs apart from other fiscal and/or financial concessions to make investment in renewable power a commercially attractive proposition.

State-wise details of central financial assistance provided / utilized under various renewable energy schemes / programmes during the last three years, i.e., 2005-06, 2006-07 and 2007-08 are given in **Annexure**.

The utilization of funds released to States has been above 95%. Steps being taken to ensure full utilization of the funds include requirement of periodic physical & financial progress reports, funds utilization certificates & audited statements of expenditure; regular review meetings with State Nodal/ Implementing Agencies; and, random inspection visits to project sites to ascertain the quantity and quality of systems deployed; etc. This apart, periodic internal audit of the State Nodal Agencies is also undertaken.

**Annexure**

**State-wise details of Central Financial Assistance provided / utilized under various renewable energy schemes / programmes during the last three years,i.e., 2005-06, 2006-07 and 2007-08.**

( Rs. in crore )

| State / UT               | Releases during last 3 years |         |           | Outstanding UCs |         |          | Fund Utilised |         |         |
|--------------------------|------------------------------|---------|-----------|-----------------|---------|----------|---------------|---------|---------|
|                          | 2005-2006                    | 2006-07 | 2007-2008 | 2005-06         | 2006-07 | 2007-08* | 2005-06       | 2006-07 | 2007-08 |
| ANDAMAN AND NICOBAR      | 0.00                         | 0.57    | 0.00      |                 |         | 0.00     | 0.00          | 0.57    | 0.00    |
| ANDHRA PRADESH           | 10.33                        | 23.63   | 17.90     | 0.01            |         | 17.83    | 10.32         | 23.63   | 0.07    |
| ARUNACHAL PRADESH        | 7.55                         | 15.27   | 13.44     |                 | 0.16    | 12.08    | 7.55          | 15.11   | 1.36    |
| ASSAM                    | 3.16                         | 4.35    | 78.84     | 0.33            | 0.09    | 77.28    | 2.82          | 4.26    | 1.56    |
| BIHAR                    | 1.25                         | 6.98    | 5.27      | 0.03            | 0.03    | 5.27     | 1.22          | 6.94    | 0.00    |
| CHANDIGARH               | 0.83                         | 0.40    | 3.24      |                 |         | 3.24     | 0.83          | 0.40    | 0.00    |
| DRA & NAGAR HAVELI       | 0.00                         | 0.00    | 0.00      |                 |         | 0.00     | 0.00          | 0.00    | 0.00    |
| DAMAN & DIU (ONLY DAMAN) | 0.00                         | 0.00    | 0.00      |                 |         | 0.00     | 0.00          | 0.00    | 0.00    |
| DELHI                    | 44.40                        | 39.53   | 43.82     | 0.06            | 0.04    | 40.74    | 44.33         | 39.49   | 3.08    |
| GOA                      | 0.21                         | 0.42    | 0.44      |                 | 0.00    | 0.44     | 0.21          | 0.42    | 0.00    |
| GUJARAT                  | 3.28                         | 7.53    | 9.79      | 0.04            | 0.76    | 5.97     | 3.24          | 6.77    | 3.82    |
| HARYANA                  | 1.94                         | 8.94    | 5.68      | 0.11            |         | 5.53     | 1.83          | 8.94    | 0.15    |
| HIMACHAL PRADESH         | 1.84                         | 10.30   | 2.51      |                 | 0.14    | 2.39     | 1.84          | 10.15   | 0.12    |
| JAMMU AND KASHMIR        | 10.10                        | 2.48    | 8.33      | 0.04            | 0.21    | 6.32     | 10.06         | 2.27    | 2.02    |
| KARNATAKA                | 6.34                         | 6.91    | 8.68      | 1.40            | 1.40    | 8.51     | 4.94          | 5.50    | 0.18    |
| KERALA                   | 1.29                         | 3.96    | 1.02      | 0.03            |         | 0.88     | 1.26          | 3.96    | 0.15    |
| MADHYA PRADESH           | 6.61                         | 9.09    | 10.65     | 0.05            | 0.11    | 7.85     | 6.56          | 8.98    | 2.81    |
| MAHARASHTRA              | 21.91                        | 34.59   | 48.95     | 0.19            | 0.16    | 48.93    | 21.71         | 34.43   | 0.02    |
| LAKSHADWEEP              | 0.01                         | 0.00    | 0.00      |                 | 0.01    | 0.00     | 0.01          | -0.01   | 0.00    |
| MANIPUR                  | 4.14                         | 6.60    | 3.03      | 0.01            | 0.01    | 3.03     | 4.13          | 6.59    | 0.00    |
| MEGHALAYA                | 3.65                         | 5.50    | 6.47      |                 |         | 5.88     | 3.65          | 5.50    | 0.59    |
| MIZORAM                  | 14.83                        | 9.81    | 7.70      |                 |         | 3.23     | 14.83         | 9.81    | 4.47    |
| NAGALAND                 | 1.31                         | 1.83    | 3.39      |                 |         | 3.26     | 1.31          | 1.83    | 0.14    |
| ORISSA                   | 3.07                         | 9.76    | 5.86      | 0.11            | 0.11    | 4.99     | 2.96          | 9.65    | 0.87    |
| PUDUCHERRY               | 0.64                         | 0.15    | 0.13      |                 |         | 0.13     | 0.64          | 0.15    | 0.00    |
| PUNJAB                   | 1.59                         | 6.10    | 4.97      |                 | 0.73    | 3.00     | 1.59          | 5.37    | 1.97    |
| RAJASTHAN                | 8.29                         | 4.84    | 13.56     | 0.01            |         | 13.56    | 8.28          | 4.84    | 0.00    |
| SIKKIM                   | 3.36                         | 7.00    | 14.10     |                 |         | 13.95    | 3.36          | 7.00    | 0.14    |
| TAMIL NADU               | 13.24                        | 11.50   | 5.29      | 0.20            | 1.27    | 5.00     | 13.04         | 10.22   | 0.29    |
| TRIPURA                  | 0.44                         | 3.01    | 10.51     |                 | 0.02    | 10.51    | 0.44          | 2.99    | 0.00    |
| UTTAR PRADESH            | 5.84                         | 6.80    | 12.19     | 0.00            |         | 12.19    | 5.84          | 6.80    | 0.00    |
| WEST BENGAL              | 18.69                        | 27.55   | 15.24     |                 | 0.03    | 11.67    | 18.69         | 27.53   | 3.57    |
| CHHATTISGARH             | 5.38                         | 6.35    | 9.22      |                 | 0.01    | 8.52     | 5.38          | 6.34    | 0.70    |
| JHARKHAND                | 12.14                        | 3.20    | 14.22     | 0.01            |         | 14.22    | 12.13         | 3.20    | 0.00    |
| UTTARAKHAND              | 7.44                         | 17.56   | 8.70      |                 | 0.28    | 8.62     | 7.44          | 17.28   | 0.09    |

UCs = Utilisation Certificates. \* = UCs expected by 31 March, 2009.

Union Minister of State(independent charge) for New and Renewable Energy Mr  
Vilas Muttemwar replied in a written question by Shri Rayapati Sambasiva Rao and Shri  
K. Subbarayan in Lok Sabha today.