

SOLAR SOPS ON ANVIL FOR OWNERS OF DEGRADED LAND

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Solar sops on anvil for owners of degraded land

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IN A novel initiative to provide livelihood support to owners of degraded land, the Centre plans to make them stakeholders in solar power projects, which are projected to see an investment of Rs 8 lakh crore in five years to raise total capacity to 100,000 mw.

The renewable energy ministry is framing a policy in coordination with the states to enable landowners to get equity in solar projects in lieu of land and earn a regular income by way of annual or monthly rent throughout the life of a project.

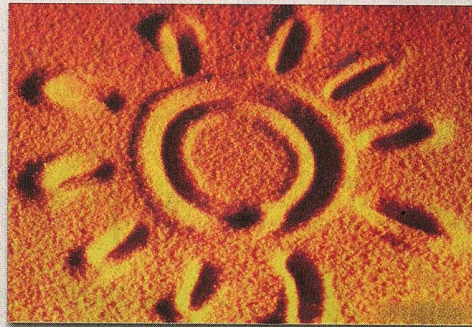
"We have initiated talks

with seven to eight states on this initiative and hope to identify barren land for the projects soon.

This will facilitate expeditious land acquisition and help us reach the 100,000 mw solar energy target faster," power, coal and renewable energy minister Piyush Goyal said.

As part of efforts to promote solar projects on barren land, the Centre plans to allot these projects on the basis of AAA-rated power purchase agreements (PPA), which will help the promoters get bank finance on easier terms.

Government estimates show out of the country's total geographical area of 328.2 million hectares, only



SWEET DEAL: Such projects will be allotted on the basis of AAA-rated power purchase agreements to facilitate easier bank finance

about 140 million hectares is cultivated area and a large part of the balance area is either wasteland or degraded land.

While one portion of the

degraded area happens to be inaccessible mountainous terrain, a large part comprises plains scattered mainly over Madhya Pradesh, Rajasthan, Gu-

jarat, Karnataka, Andhra Pradesh, Maharashtra, Chhattigarh and Jharkhand.

Some parts of these degraded areas were cultivable earlier, but they are no longer fertile and farmers are looking for opportunities to put such land to use for other purposes.

"This would be a good initiative if it eliminates the tedious process of land acquisition. Moreover, the use of degraded land will reduce the overall cost of acquisition and help bring the tariff closer to grid parity," said Praveer Sinha, CEO of Tata Power Delhi Distribution (TPDDL).

Turn to P8

Installed solar capacity stands at close to 3000 mw

From P1

The company is actively involved in the promotion of solar power and has launched a rooftop solar initiative for consumers in Delhi. "Unlocking degraded land and making landowners partners in solar projects is an interesting approach. Though land acquisition for solar projects has been relatively smooth, the solution to the financial aspects will propel the sector and help achieve the 100 gw target," said Ratul Puri, chairman of Hindustan Powerprojects.

The government has put a strong focus on solar projects, as they have become feasible with tariff reaching closer to grid parity at Rs 7-8 per unit. Besides, the per-megawatt investment for these projects has fallen from Rs 12-14 crore per 1 mw plant to about Rs 7-8 crore. India is endowed with sunlight throughout the year, a key component necessary for running these projects.

"Timely land acquisition is one critical variable for the success of the solar programme. That the government is proactively addressing this issue right at the beginning is a positive sign. A lot will depend on how this will be implemented, but making solar inclusive by bringing in the landowners as stakeholders in projects could be an innovative way of addressing the problem swiftly," said Ajay Goel, CEO of Tata Power Solar.

Of the country's total installed capacity of 2,58,000 mw, installed solar capacity stands at close to 3000 mw. The government aims to increase this to 100,000 mw by 2019 with an investment of about Rs 8 lakh crore. The government is implementing the solar mission, which aims to add 20,000 mw by 2022.

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