


GOVERNMENT ALLOCATES RS. 1000 CRORE FOR ULTRA LARGE SOLAR PROJECTS, PARKS

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New Delhi: Narendra Modi-led government's first budget has given high priority to renewable energy sector with an allocation of ₹ 1,000 crore for development of ultra large solar power plants and solar parks.

The government aims to construct 'Ultra Mega Solar Power' projects or high capacity plants in the radiation-rich states of Rajasthan, Gujarat, Tamil Nadu and Jammu & Kashmir (Ladakh).

At present, the Power Ministry is developing coal based Ultra Mega Power Projects or UMPPs that have generation capacity of 4,000 MW.

"I have set aside a sum of ₹ 500 crore for this (setting up of Ultra Mega Solar Power Projects) as new and renewable energy deserves a very high priority," Jaitley said while presenting the Budget for 2014-15.

Moserbaer Solar chief managing officer Vivek Chaturvedi said, "Ultra Mega Solar Projects in Rajasthan, Leh and Tamil Nadu will drive scaling up from demand side through mega solar plants."

The minister also announced launching a scheme for solar power driven agricultural pump sets and water pumping stations for energising one lakh pumps.

"I propose to allocate a sum of ₹ 400 crore for this purpose. An additional ₹ 100 crore is set aside for the development of 1 MW Solar Parks on the banks of canals," he said.

Implementation of the Green Energy Corridor Project will be accelerated in the current financial year to facilitate evacuation of renewable energy across the country.

Green Energy Corridor Project is aimed at synchronising electricity produced from renewable sources, such as solar and wind, with conventional power stations in the grid.

"We need to maximise our utilisation of solar power. The existing duty structure incentivizes imports rather than domestic manufacture of solar photovoltaic cells and modules," Jaitley said.

He added that flat copper wire used for the manufacture of PV (photovoltaic) ribbons will be exempted from basic customs duty.

"A concessional basic customs duty of 5 per cent is also being extended to machinery and equipment required for setting up of a project for solar energy production," he said.

This move aimed at benefiting solar power producers in the country.

"We feel that the budget has missed to provide due importance to solar considering the potential and bigger role solar has to play in meeting India's energy demand compared to other energy sources," Ajay Goel, Member, Indian Solar Manufacturers Association and CEO, Tata Power Solar said in a statement.

The current installed power generation capacity of the country is 2,49,488 MW of which renewables constitute 31,692 MW, according to an official data.