

BUDGET 2014: SOLAR POWER INDUSTRY GETS A BOOST IN BUDGET**JULY 10, 2014**[THE ECONOMIC TIMES](#)

Budget 2014: Solar power industry gets a boost in Budget

PTI Jul 10, 2014, 08.45PM IST

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NEW DELHI: The solar power industry has welcomed the 'high priority' accorded to the renewable energy sector in Budget 2014-15, but Tata Power Solar begged to differ saying it failed to address the issue of higher duty for component

"We feel that the Budget has missed to provide due importance to solar, considering the potential and bigger role it 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.

"Some of the key areas pertaining to solar which require immediate attention, but neglected in the Budget, include matters pertaining to inverted duty structure for solar components, concessional financing for manufacturing and fund allocation & availability for solar programmes," Goel said.

On the other hand, Kameswara Rao, Leader, Energy, Utilities Mining, PwC India said, "The cumulative impact of lower duties on inputs and higher demand from proposed distributed and larger projects could further lower panel prices, and thus cost of solar power delivered to consumers.

"This, along with income tax benefits already available, should make it more attractive for corporates considering deployment of solar power."

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

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

The decision to emphasise on the new and renewable energy by reducing the excise duty on certain solar power related products and reducing the customs duty on raw material used in the manufacture of wind operated generators is certainly a welcome step, said Samir Kanabar, Tax Partner-Infrastructure Practice, EY