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Capital Subsidy and Accelerated Depreciation is a Revenue Loss to the Government

All these days, the capital subsidy (free money given to few from the tax payers money) and accelerated depreciation (to make few rich entities not to pay taxes) have been used. But this has not been in the interest of the common man.

Below is a concept of "interest free 100% debt financing with income tax holiday with recovery in 15 years" that can help solve the present Delhi government's issue of not providing relief to the many higher kwh consumers without much load to the government. The State and Centre

are inclined to help the common man in Delhi and have approved income tax holiday to own the solar PV system on net metering basis (wherein DERC need not worry on giving high Feed-in-Tariffs).

The suggestion sent to the Karnataka Government had an objective to initiate solar PV without depending government subsidy and reduce the administration cost. The system should be automated to adjust the number of Kwh consumed MINUS number of Kwh generated. The excess consumption shall be charged

at the prevailing rate minus tariff subsidy, if applicable. No extra payment for excess generation, thus, no load on DISCOMS.

Proposal to the Karnataka Government to promote Grid connected Solar Rooftop PV

We appreciate the initiative taken by Tamil Nadu State Government to promote the grid connected residential solar rooftop PV systems. However, Karnataka Government can improve further.

Capital subsidy and Accelerated depreciation [tax benefits

scheme] are both loss of revenue to the Government.

The State Government with necessary approvals from the Central government can declare Income Tax Holiday for the individuals of a family for 1/2/3 years to own the Solar PV rooftop system of the capacity that can match their grid power consumption per year through net metering.

The Income Tax retained by the family for an equivalent amount of the total system value, MUST be repaid by these tax savers over 15 years term without any interest.

Thus, it becomes a case of 100% debt funding without interest. Further, the income tax collected at a delayed date is not a revenue loss to the Government ▲