

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 73**  
TO BE ANSWERED ON 17.07.2017

**SOPS FOR LOCAL SOLAR FIRMS**

73. SHRI D. KUPENDRA REDDY:

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether it is a fact that the demand of local solar firms for more sops has not been accepted by Government;
- (b) if so, the details thereof along with the reasons for denial by Government; and
- (c) what are the details of existing supports being extended by Government to solar firms of the country to encourage them and to discourage imports from various countries?

**ANSWER**

THE MINISTER OF STATE FOR POWER, COAL, NEW & RENEWABLE ENERGY AND MINES (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

**(a) & (b):** No Sir. The Government has strengthened its support to local solar firms by way of increased budgetary allocation to Modified Special Incentive Package (M-SIPS) Scheme in the current financial year 2017-18.

**(c):** Solar firms of the country are being promoted by the Government of India through Special Incentive Package Scheme (SIPS)/ Modified Special Incentive Package Scheme (M-SIPS). The scheme provides for mainly:

- i. 20-25% subsidy for investments in capital expenditure for setting up of electronic manufacturing facility.
- ii. Reimbursement of Countervailing Duty (CVD)/ Excise Duty for capital equipment for the units outside Special Economic Zone (SEZ).

The incentives are available for several categories of electronic products and product components including Solar Photovoltaic (SPV) (Polysilicon, Ingots and/ or Wafers, Cells, Modules/Panels). Units across the value chain starting from raw materials to assembly, testing, and packaging of these product categories are included.

In addition, the projects being implemented by the Central public Sector Undertakings (CPSUs) and those projects on rooftops are mandated to source their requirement from domestic sources.

The development of solar power in the country is taking place with indigenous as well as imported solar equipment and components. Currently, India does not have enough manufacturing capacity for solar cells and modules to cover full demand. Therefore, imports of cells and modules is taking place. The situation may change in future.

\*\*\*\*\*