# GOVERNMENT OF INDIA MINISTRY OF NEW AND RENEWABLE ENERGY

# RAJYA SABHA UNSTARRED QUESTION NO. 2070

ANSWERED ON 18/03/2025

# CAPITAL SUBSIDY PLAN FOR SOLAR WAFER AND INGOT MANUFACTURING

2070. SHRI DHAIRYASHIL MOHAN PATIL SHRI NARAYANA KORAGAPPA SHRI BABURAM NISHAD

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

- (a) whether Government has finalized a one billion USD capital subsidy plan for solar wafers and ingot manufacturing;
- (b) the measures taken by Government to reduce dependence on China for solar equipment, especially wafers and ingots;
- (c) the role of private sector players, including international manufacturers, in the proposed subsidy scheme;
- (d) whether there are plans to establish domestic polysilicon production facilities in the country; and
- (e) if so, the details thereof?

#### **ANSWER**

# THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

# (SHRI SHRIPAD YESSO NAIK)

- (a) No. No such Scheme has been finalized by the Government.
- (b) The Government has taken several steps to incentivize domestic manufacturing in solar PV manufacturing sector, which inter-alia include those mentioned at Annexure-I. Further, under Production Linked Incentive Scheme for High Efficiency Solar PV Modules, Letters of Award have been issued for setting up around 48.3 GW of fully / partially integrated solar PV module manufacturing capacities. This 48.3 GW includes around 37.5 GW of ingot and wafer manufacturing capacities.
- (c) As mentioned in (a) above, no such Scheme has been finalized by the Government. Hence question does not arise.
- (d) & (e) Under Production Linked Incentive Scheme for High Efficiency Solar PV Modules, Letters of Award have been issued for setting up around 48.3 GW of fully / partially integrated solar PV module manufacturing capacities. This 48.3 GW includes around 20.7 GW of polysilicon manufacturing capacities.

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Annexure referred to in reply of part (b) of the Rajya Sabha Unstarred Question No. 2070 for 18.03.2025 regarding 'Capital subsidy plan for solar wafer and ingot manufacturing'

Initiatives taken to incentivize domestic manufacturing of solar PV equipment, inter-alia, include:

- (i) Production Linked Incentive (PLI) Scheme: The Government of India is implementing the Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules, for achieving domestic manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV modules, with an outlay of Rs. 24,000 crore. The Scheme is being implemented in two tranches. Tranche-I has an outlay of Rs. 4,500 crore, under which Letters of Award have been issued for setting up of 8,737 MW of fully integrated solar PV module manufacturing units. For Tranche-II with an outlay of Rs. 19,500 crore, Letters of Award have been issued for setting up of 39,600 MW of fully/ partially integrated solar PV module manufacturing units.
- (ii) Domestic Content Requirement (DCR): Under some of the current schemes of the MNRE, namely CPSU Scheme Phase-II, PM-KUSUM Components B & C, and PM Surya Ghar: Muft Bijli Yojana, wherein government subsidy is given, it has been mandated to source solar PV cells and modules from domestic sources.
- (iii) Preference to 'Make in India' in Public Procurement: In accordance with Department for Promotion of Industry and Internal Trade (DPIIT) 'Public Procurement (Preference to Make in India), Order', MNRE had notified Purchase Preference (linked with local content) for RE sector which, inter-alia, identified list of all goods and services or works in respect of which there is sufficient local capacity and local competition is available and mandated that only "Class-I local supplier" shall be eligible to bid for the above goods/services/works with the mandate that minimum local content should be at least 50%.
- (iv) Imposition of Basic Customs Duty on import of solar PV cells & modules: The Government has imposed Basic Customs Duty (BCD) on import of solar PV cells and modules, with effect from 01.04.2022.
- (v) Discontinuation of Customs Duty Concessions: MNRE has discontinued issuance of Customs Duty Concession Certificates for import of material /equipment for initial setting up of solar PV power projects with effect from 02.02.2021.