

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
RAJYA SABHA
UNSTARRED QUESTION NO. 2861
ANSWERED ON 17.03.2026

EFFECT OF US TARIFF ON SOLAR PANEL MSMEs

2861. SHRI K.R. SURESH REDDY

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

- (a) the details of the number of MSMEs engaged in production of materials related to solar energy, State/UT-wise;
- (b) the details of the number of MSMEs engaged in export of such materials, State/UT-wise;
- (c) whether Government has taken steps to help MSMEs after the imposition of tariffs on solar panels by the USA; and
- (d) if so, the details of such steps and number of beneficiaries?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER
(SHRI SHRIPAD YESSO NAIK)

(a) The Ministry of New and Renewable Energy does not maintain a centralized database indicating the number of Micro, Small and Medium Enterprises (MSMEs) engaged specifically in the production of materials related to solar energy on a State/UT-wise basis.

However, the Ministry maintains the Approved List of Models and Manufacturers (ALMM) for solar PV modules and solar PV cells, which contains details of solar PV module and solar PV cells manufacturers, including their manufacturing state and manufacturing capacities. The State/UT-wise solar PV module and solar PV cell manufacturing capacities enlisted under ALMM are placed at **Annexure-I**.

(b) to (d) The domestic demand for solar PV cells and modules in India remains strong, encouraging the companies, including MSMEs, to actively participate in the domestic market. Further, the Government is facilitating companies engaged in solar PV manufacturing and exports through various measures, inter alia those mentioned at **Annexure-II**. These efforts are contributing to the overall development of domestic solar PV manufacturing, including promoting exports of solar PV cells and modules. As per the export–import databank of the Department of Commerce, India exported solar PV cells and modules worth around USD 885 million during April 2024 to December 2024, which increased to approximately USD 994 million during April 2025 to December 2025.

Annexure-I

Annexure referred to in reply of part (a) of the Rajya Sabha Unstarred Question No. 2861 for 17.03.2026 regarding 'Effect of US tariff on solar panel MSMEs'

(i) State/UT-wise Solar Module Manufacturing capacity enlisted under ALMM

S.No.	State	Capacity (in MW)
1	Andhra Pradesh	632
2	Bihar	27
3	Chhattisgarh	695
4	Goa	125
5	Gujarat	80060
6	Haryana	9749
7	Jharkhand	142
8	Karnataka	9696
9	Maharashtra	11414
10	Odisha	450
11	Punjab	269
12	Rajasthan	21779
13	Tamil Nadu	15199
14	Telangana	7858
15	Uttar Pradesh	6531
16	Uttarakhand	2905
17	West Bengal	5061
Total		172592

(ii) State/UT-wise Solar Cell Manufacturing capacity under ALMM

S.No.	State	Capacity (in MW)
1	Andhra Pradesh	1074
2	Himanchal Pradesh	779
3	Gujarat	11254
4	Karnataka	1833
5	Tamil Nadu	7966
6	Telangana	3283
7	West Bengal	602
8	Uttar Pradesh	437
Total		27228

Annexure referred to in reply of parts (b) to (d) of the Rajya Sabha Unstarred Question No. 2861 for 17.03.2026 regarding 'Effect of US tariff on solar panel MSMEs'

(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. Under the Scheme, Letters of Award have been issued for setting up of 48,337 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) Imposition of Basic Customs Duty on import of solar PV cells and modules: The Government has imposed Basic Customs Duty (BCD) on import of solar PV cells and solar PV modules.

(iv) Exemption of Custom Duty on capital goods for manufacture of Solar Cells and Modules: The Government has exempted Basic Customs Duty on import of goods specified in List 18 of Notification No. 45/2025-Customs dated 24th October 2025, for the manufacturer of solar PV cells and modules.

(v) Bilateral engagement: In addition to export efforts undertaken by individual companies, the issue of solar supply chains, including exploring the possibility of export of solar PV cells and modules from India, is also discussed at the Government level during bilateral engagements with partner countries/regions, including in the context of free trade discussions.
