

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

LOK SABHA

UNSTARRED QUESTION NO.4702

TO BE ANSWERED ON FRIDAY THE 23RD MARCH, 2018
CHAITRA 2, 1940 (SAKA)

IMPORT DUTY ON SOLAR CELLS

4702. SHRI PRATHAP SIMHA:
KUMARI SHOBHA KARANDLAJE:
SHRI P.C. MOHAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether solar cells, electrical devices that convert sunlight directly into electricity are imported primarily from China, Malaysia, Singapore and Taiwan and if so, the details thereof;
- (b) whether the Indian Solar Manufacturers Association (ISMA) has filed an application before Director General of Safeguards (DGSs) to impose provisional safeguard duty on import of solar cells citing the reason that the domestic manufacturers production facility is idle and incurring heavy losses, if so, the details thereof;
- (c) whether the Government has started a probe to determine imposition of safeguard duty on surging imports of solar cells with a view to protecting domestic manufacturers and propose to impose safeguard duty on import of solar cells, if so, the details thereof;
- (d) whether this import duty is likely to be passed on to the end users which in turn may increase cost of solar power project, if so, the details thereof; and
- (e) the remedial measures taken to avert any damage to the domestic manufacturers of solar cell and also reduce the unit cost of solar power consequent upon imposition of safeguard duty on imported solar cells?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SHIV PRATAP SHUKLA)

(a): Yes, Sir. The imports of solar cells from China, Malaysia, Singapore and Taiwan account for more than 90% of the total imports of solar cells into India.

(b) & (c): Yes, Sir. The Directorate General of Safeguards has initiated Safeguard investigation by issuing notice dated 19.12.2017. The preliminary findings dated 05.01.2018 have been submitted to the Standing Board on Safeguards recommending imposition of provisional safeguard duty on the imports of solar cells whether or not assembled in modules or panels for a period of 200 days.

(d) & (e): Since the provisional safeguard duty recommendations by DG, Safeguards exempts the "Developing Countries, except China and Malaysia", there would still be countries like Vietnam, Thailand etc from which the imports can be carried out. Thus, the impact of proposed safeguard duty on the import of solar cells and modules, from these countries cannot be ascertained and it cannot be said with certainty that the imposition of safeguard duty on solar cells and modules is likely to increase the cost of solar power projects.
