

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO-3682

TO BE ANSWERED ON-03.01.2019

MANUFACTURING OF DOMESTIC SOLAR EQUIPMENT

3682. SHRI NALIN KUMAR KATEEL

SHRI D.K. SURESH

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

(a) whether the Government is aware that there is severe threat to domestic solar equipment manufacturing industry, if so, the details thereof;

(b) whether the Union Government is also aware that import of solar power equipment from countries like China is causing serious injury to the domestic industry, if so, the details thereof;

(c) whether the Government has taken any measures to counter the threats to domestic solar equipment manufacturing industries; and

(d) if so, the details thereof and the response of the Government in this regard?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER (I/C)
(SHRI R.K. SINGH)

(a) & (b) The Directorate General of Trade Remedies (DGTR) in its final findings dated 16th July, 2018, on 'Safeguard investigation concerning imports of Solar Cells whether or not assembled in modules or panels into India, has concluded that increased imports of Solar Cells whether or not assembled in modules or panels into India, have caused serious injury and also threaten to cause serious injury to the domestic producers in India.

(c) & (d) The Government has taken following steps to counter the threats to domestic solar equipment manufacturing industry and support it:

I. Based on the final findings of the Directorate General of Trade Remedies (DGTR), the Government, through notification no. 01/2018-Customs (SG) dated 30th July, 2018, have imposed Safeguard duty on import of solar cells whether or not assembled in modules or panels, as follows:

- i. Twenty five percent, ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th July, 2018 to 29th July, 2019 (both days inclusive);
- ii. Twenty percent, ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th July, 2019 to 29th January, 2020 (both days inclusive);

iii. Fifteen percent, ad valorem minus anti-dumping duty payable, if any, when imported during the period from 30th January, 2020 to 29th July, 2020 (both days inclusive);
Nothing contained in the notification dated 30th July, 2018, mentioned above shall apply to imports of subject goods from countries notified as developing countries vide notification no. 19/2016-Customs (N.T.) dated 5th February, 2016, except China PR, and Malaysia.

II. The Ministry of New & Renewable Energy (MNRE) vide its O.M. No. 146/57/2018-P&C dated 11.12.2018 regarding “Implementation of Public Procurement (Preference to Make in India) Order for Renewable Energy Sector” has stipulated that apart from civil construction, preference shall be provided in Central Ministries/Departments and Central PSUs to domestically manufactured/produced products such as solar PV modules and other components such as inverters, etc. for grid connected solar power projects. Minimum Percentage of local content required is 100% in case of solar modules and 40% for other components such as inverters etc.

III. Domestic manufacturing of solar cells and panels in India is being supported by the Government of India through Modified Special Incentive Package Scheme (M-SIPS) of the Ministry of Electronics & Information Technology. The scheme, inter alia, provides for:

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

IV. Further, the solar power projects being implemented by the Central Public Sector Undertakings (CPSUs) with financial support from the Government and those rooftop solar projects which are implemented with central financial assistance are mandated to source their requirement of solar cells & panels from domestic sources as per extant Guidelines, in a World Trade Organization (WTO) compliant manner.
