

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 2956
TO BE ANSWERED ON 11.07.2019
MANUFACTURING OF SOLAR PANELS

2956. Shri Kunwar Pushpendra Singh Chandel

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

- (a) whether the Government proposes to formulate a new policy regarding manufacturing of solar panels in India;
- (b) if so, the details thereof;
- (c) whether the import of solar products from China is very high and if so, the details thereof;
- (d) whether the Government proposes to establish a big solar products manufacturing unit in Bundelkhand region of Uttar Pradesh; and
- (e) if so, the details thereof;

ANSWER

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

(a) and (b) The Domestic manufacturing of solar cells and modules is already being supported by Government of India by way of following initiatives:

1. 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 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 countervailing Duty (CVD)/ Excise Duty for capital equipment for the units outside Special Economic Zone (SEZ).

2. The solar power projects being implemented by the Central Public Sector Undertakings (CPSUs) with financial support from 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.

3. 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/Department 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 inverter. etc.

4. Further, Ministry of Finance, through notification no. 01/2018-Customs (SG) dated 30th July, 2018, has imposed Safeguard duty on import of solar cells whether or not assembled in modules or panels.

(c) As per the Export-Import data maintained by Department of Commerce, the total quantum of import of "Solar cells whether or not assembled into module/panel", during the year 2018-19 amounted to around Rs. 15,105 crore out of which imports from China constituted around Rs. 11,842 crore.

(d) and (e) No such proposal is presently there with the Government of India.
