

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 1165
ANSWERED ON 09.02.2023

DEVELOPMENT OF SOLAR CAPACITY

1165. SHRIMATI SHARDABEN ANILBHAI PATEL
SHRI MITESH RAMESHBHAI PATEL (BAKABHAI)

- (a) whether the Government is formulating any policy for the development of domestic solar capacity and manufacturing facility that would provide a strong support base to promote solar energy sector across the country;
- (b) if so, the details thereof;
- (c) if not, whether the Government is likely to formulate any policy in near future to reduce the country's dependency on import from other countries; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF NEW & RENEWABLE ENERGY AND POWER
(SHRI R.K. SINGH)

(a)to(d) The Ministry of New & Renewable Energy (MNRE), Government of India, has been consistently bringing out policies for developing and facilitating domestic solar manufacturing capabilities in the country. Some of the recent initiatives, inter-alia, include:

(i) Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules: The Government of India is implementing the Production Linked Incentive (PLI) Scheme for National Programme on High Efficiency Solar PV Modules, for achieving domestic manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV modules and solar PV cells, with an outlay of Rs. 24,000 crore. This Scheme has provision for Production Linked Incentive (PLI) to the selected solar PV module manufacturers for five years post commissioning, on manufacture and sale of High Efficiency Solar PV modules.

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 to three successful bidders for setting up of 8737 MW of fully integrated solar PV module manufacturing units. For Tranche-II with an outlay of Rs. 19,500 crore, the Scheme Guidelines have been issued on 30.09.2022 and tender document for selection of solar PV manufacturers has been issued on 18.11.2022.

(ii) Domestic Content Requirement (DCR): Under some of the current schemes of the MNRE, namely CPSU Scheme Phase-II, PM-KUSUM Component B and Grid-connected Rooftop Solar Programme Phase-II, 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: Through implementation of 'Public Procurement (Preference to Make in India) Order', procurement and use of domestically manufactured solar PV modules and domestically manufactured solar inverters has been mandated for Government/ Government entities.

(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.
