GOVERNMENT OF INDIA MINISTRY OF NEW AND RENEWABLE ENERGY

LOK SABHA

UNSTARRED QUESTION NO. 3828

ANSWERED ON 23.03.2023

PRODUCTION LINKED INCENTIVE SCHEME FOR SOLAR MODULES

3828. SHRI POCHA BRAHMANANDA REDDY

- (a) the details of the targets set and achieved under the Production Linked Incentive (PLI) scheme for manufacturing of Solar Photovoltaic Modules;
- (b) the details of the domestic production of Solar Photovoltaic Modules and its import during the last three years and the current year, country-wise;
- (c) the projected production to be achieved under the PLI scheme;
- (d) whether any other measures are being taken/ proposed to be taken to increase the manufacturing of indigenous Solar Photovoltaic Modules; and
- (e) if so, the details thereof and if not, the reasons therefor?

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

- (a) The Government of India is implementing the Production Linked Incentive (PLI) Scheme under 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. Selection of solar PV manufacturers under Tranche-II with outlay of Rs 19,500 crore, has not yet been done.
- (b) Solar Photovoltaic module manufacturers are not required to report their production to Ministry of New & Renewable Energy (MNRE), and therefore, this data is not available with MNRE. However, the total capacity for manufacturing Solar Photovoltaic Modules in the country, as per the Approved List of Models and Manufacturers (ALMM) is about 22.4 GW per annum.

The details of Solar Photovoltaic Modules imported during the last three years and the current year, country-wise, as per the website pertaining to Export-Import Data Bank of Department of Commerce, are at **Annexure-I.**

(c) Under Tranche-I of PLI Scheme, Letters of Award have been issued for setting up of 8737 MW of fully integrated solar PV module manufacturing units. Selection of solar PV manufacturers under Tranche-II with outlay of Rs 19,500 crore, has not yet been done.

- (d) & (e) The Ministry of New & Renewable Energy (MNRE), Government of India, has been consistently bringing out policies to increase the manufacturing of indigenous Solar Photovoltaic Modules. Some of the other initiatives, inter-alia, include:
- (i) **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.
- (ii) 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.
- (iii) 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.
- (iv) **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.

Annexure-I referred in reply to part (b) of Lok Sabha Unstarrred Question No. 3828 replied on 23.03.2023

Country	Value of Imports in USD million				
	2019-20*	2020-21*	2021-22*	2022-23*	
	(HS Code	(HS Code	(HS Code	(till Jan 2023)	
	85414011)	85414011)	85414012)	(HS Code	
	(Solar PV	(Solar PV Cells	(Solar PV	85414300)	
	Cells &	& Modules)	Modules)	(Solar PV	
	Modules)			Modules)	
Australia	0	0	0.22	0.00	
Cambodia	5.97	6.69			
Canada	7.92	0.8			
Chad	0	0.24			
Taiwan	20.97	11.28	0.13		
China PRP	1307.03	494.87	3075.32	662.69	
France	0	0.06			
Germany	3.73	0.03	0.21	0.11	
Hong Kong	31.3	3.22	229.12	0.03	
Indonesia	0.11	0.01			
Italy	0.27	0.16	0	0.00	
Japan	3.41	0.15			
Korea DP RP	0	0	0		
Korea RP	1.72	0.16	0	0.00	
Luxembourg	0	0	0.01		
Malaysia	3.91	7.46	31.43	0.85	
Myanmar	0.98	5.78			
Philippines	0.04	0	0	0.01	
Russia	0.02	0.04			
Saudi Arab	0	0.01			
Singapore	31.32	6.69	22.76	22.97	
Spain	0.18	0.1	0.13	0.04	

Country	Value of Imports in USD million				
	2019-20*	2020-21*	2021-22*	2022-23*	
	(HS Code	(HS Code	(HS Code	(till Jan 2023)	
	85414011)	85414011)	85414012)	(HS Code	
	(Solar PV	(Solar PV Cells	(Solar PV	85414300)	
	Cells &	& Modules)	Modules)	(Solar PV	
	Modules)			Modules)	
Sri Lanka DSR	1.28	0			
Swaziland	0	0	0.08		
Switzerland	0	0.01	3.78	0.00	
Thailand	120.47	18.76	0.01	0.00	
Tunisia	0.01	0	0		
U.A.E.	0.43	0	0	0.13	
U.K.	0.02	0.06	0	0.00	
U.S.A.	2.57	0.03	0	0.02	
Unspecified	0	0.07	0		
Vietnam Soc	140.63	14.97	0	0.19	
Rep					
TOTAL (USD	1684.29	571.65	3363.20	687.04	
million)					

^{*}Till FY 2020-21, Solar Cells, whether or not assembled in modules were classified under HS Code 85414011.

In FY 2021-22, the HS Code 85414011 was retained for Solar PV Cells and new HS Code 85414012 was brought in for Solar PV Modules.

Subsequently, from FY 2022-23, the Solar PV Cells and Solar PV Modules (other than those exclusively used with ITA-1 items) are put under HS Codes 85414200 and 85414300 respectively.