

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 2476
ANSWERED ON 03.08.2023

ADOPTION OF RENEWABLE ENERGY SOURCES

2476. DR. AMAR SINGH

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

- (a) the details of key targets and initiatives of the Government to promote the adoption of renewable energy sources in the country;
- (b) the manner in which the Government encourages research and development in the field of new and renewable energy technologies;
- (c) whether the Government proposes to promote decentralized renewable energy systems and off-grid solutions in remote areas and if so, the details thereof;
- (d) the steps that are being taken to attract investments and promote the manufacturing of renewable energy equipment and components in the country; and
- (e) the manner in which Government incentivizes the private sector to invest in renewable energy projects?

ANSWER

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

(a) As per the updated Nationally Determined Contribution (NDC) submitted to the United Nations Framework Convention for Climate Change (UNFCCC), India has committed inter alia to achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030. Further, Hon'ble Prime Minister had announced the target of achieving 500 GW of installed electricity capacity from non-fossil sources by 2030. at COP26.

Ministry of New and Renewable Energy is accordingly implementing various steps for enhancing the renewable energy capacity in the country. These include:

- Permitting Foreign Direct Investment (FDI) up to 100 percent under the automatic route,
- Waiver of Inter State Transmission System (ISTS) charges for inter-state sale of solar and wind power for projects to be commissioned by 30th June 2025,
- Declaration of trajectory for Renewable Purchase Obligation (RPO) up to the year 2029-30,
- Setting up of Ultra Mega Renewable Energy Parks to provide land and transmission to RE developers for installation of RE projects at large scale,
- Schemes such as Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM), Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, etc,
- Laying of new transmission lines and creating new sub-station capacity under the Green Energy Corridor Scheme for evacuation of renewable power,
- Notification of standards for deployment of solar photovoltaic system/devices,
- Setting up of Project Development Cell for attracting and facilitating investments,
- Standard Bidding Guidelines for tariff based competitive bidding process for procurement of Power from Grid Connected Solar PV and Wind Projects.
- Government has issued orders that power shall be dispatched against Letter of Credit (LC) or advance payment to ensure timely payment by distribution licensees to RE generators.
- Notification of Promoting Renewable Energy through Green Energy Open Access Rules 2022.
- Notification of "The Electricity (Late Payment Surcharge and related matters) Rules (LPS rules).
- Launch of Green Term Ahead Market (GTAM) to facilitate sale of Renewable Energy Power through exchanges.

- National Green Hydrogen Mission launched with an aim to make India a global hub for production, utilization and export of Green Hydrogen and its derivatives.

(b) The Ministry of New and Renewable Energy supports a scheme “Renewable Energy Research and Technology Development Programme (RE-RTD)” through various research institutions and industry to enable indigenous technology development and manufacture for wide spread applications of new and renewable energy in efficient and cost effective manner across the country with the ultimate aim of increasing share of renewables in the energy mix in the country.

The Ministry encourages research and technology development proposals in collaboration with the industry and provides upto 100% financial support to Government/non-profit research organizations and upto 70% to Industry, Start-ups, Private Institutes, Entrepreneurs and Manufacturing units.

(c) The Ministry is promoting decentralized renewable energy systems and off-grid solutions, including in remote areas, *inter alia* through the following schemes and programmes:

- i. PM-KUSUM
- ii. Solar Rooftop Programme
- iii. Bioenergy Programme

(d) The Ministry of New & Renewable Energy (MNRE) has been consistently bringing out policies to attract investments and promote the manufacturing of solar power equipment 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 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, 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 8,737 MW of fully integrated solar PV module manufacturing units. Tranche-II has an outlay of Rs. 19,500 crore, under which Letters of Award have been issued to eleven successful bidders for setting up of 39,600 MW of fully/ partially integrated solar PV module manufacturing units.

(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 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.

(e) Renewable energy capacity in India has largely been installed through private sector investments. The various steps mentioned in replies to parts (a) to (d) are expected to further incentivize private sector investments in renewable energy projects in the country.