

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 1112
ANSWERED ON 08/02/2024

FOREIGN INVESTMENT IN SOLAR ENERGY SECTOR

1112. Ms RAMYA HARIDAS

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

- (a) whether solar power plants have been or are being set up in the country with the help of foreign investment;
- (b) if so, the details thereof along with the investment made by foreign companies for the said purpose, country-wise;
- (c) whether the Government offers any incentive to promote FDI in solar energy sector and if so, the details thereof; and
- (d) the other steps taken or being taken by the Government to promote solar power generation in the country?

ANSWER

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

(a) to (c) Solar power plants are being installed in the country with domestic as well as foreign investments. Foreign Direct Investment (FDI) up to 100 per cent is permissible through automatic route for setting up renewable energy projects, including solar energy projects, in the country. The country-wise details of Foreign Direct Investment (FDI) equity inflows received in the solar energy sector during the last three Financial years and the current Financial year (up to September 2023) are given at **Annexure**.

(d) The Government has taken several steps promote solar energy in the country. These inter-alia include:-

- 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 2030
- Setting up of Ultra Mega Renewable Energy Parks to provide land and transmission to RE developers on a plug and play basis
- Schemes such as Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM), Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules etc
- Laying of new transmission lines and creating new sub-station capacity under the Green Energy Corridor Scheme for evacuation of solar 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 and bidding trajectory for procurement of power from Grid Connected Solar PV 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
- Conducting skill development programmes to create a pool of skilled manpower for setting up, operation and maintenance of solar energy projects

Annexure referred to in reply to part (a) to (c) of Lok Sabha Unstarred Question No. 1112 for 08.02.2024

COUNTRY-WISE FDI RECEIVED IN SOLAR ENERGY SECTOR IN INDIA DURING THE LAST THREE FINANCIAL YEARS AND THE CURRENT FINANCIAL YEAR TILL 30.09.2023

Sl. No.	Country	FDI Received (In USD Million)
1	Bermuda	0.202
2	British Virginia	1.733
3	Bulgaria	0.006
4	Canada	88.086
5	Cayman Islands	78.381
6	China	34.955
7	Czech Republic	0.880
8	Cyprus	0.450
9	Denmark	49.380
10	France	46.934
11	Germany	0.777
12	Hong Kong	94.176
13	Japan	200.759
14	Luxembourg	6.676
15	Mauritius	632.523
16	Netherland	256.197
17	Norway	196.656
18	Saudi Arabia	15.763
19	Seychelles	0.075
20	Singapore	780.781
21	South Korea	24.384
22	Spain	2.637
23	Sweden	0.478
24	Switzerland	1.141
25	UAE	543.235
26	United Kingdom	778.271
27	U.S.A	24.623
	Total	3860.158