

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 2642
ANSWERED ON 07/08/2024

INCENTIVES TO DEVELOP SOLAR INDUSTRY

2642. SHRI PUTTA MAHESH KUMAR

Will the Minister of New and Renewable Energy be pleased to state:

- (a) the details regarding the steps undertaken by the Government to increase domestic production and utilisation of solar power during the last five years in the country;
- (b) the details regarding the total number of beneficiaries of such schemes during the last five years, State-wise particularly from Andhra Pradesh;
- (c) the details of the companies that have received support and incentives from the Government under various schemes to increase domestic production of solar-based products, State-wise;
- (d) the amount of funds allocated and utilised under Government schemes for the purposes of increasing domestic production and utilisation of solar power based energy during the last five years, State-wise particularly in Andhra Pradesh; and
- (e) whether the Government has considered any schemes/initiative to increase the number of young (18-35 years) entrepreneurs in the development of solar industry and if so, the details thereof;

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) The Ministry of New & Renewable Energy (MNRE) has been consistently bringing out policies to increase domestic production and utilisation of solar PV products. Various initiatives taken, inter-alia, include those mentioned at **Annexure-I**.

(b) The manufacturers selected under Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules can set-up their solar manufacturing plants anywhere in India. As per the information submitted by the selected manufacturers, the States in which these beneficiaries are setting up their solar manufacturing plants are mentioned at **Annexure-II**.

(c) & (d) Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules being implemented by MNRE has an outlay of Rs. 24,000 crore. The scheme has a provision for release of PLI to the successful bidders, post commissioning of the awarded manufacturing capacity. Since, the awarded manufacturing capacities are in gestation period, no PLI has been disbursed to the beneficiaries till date. However, the companies that have been awarded capacity under the PLI Scheme are listed in **Annexure-II**.

(e) MNRE does not have any scheme to provide training to set-up new industries with the help of solar energy. However, MNRE implements the Suryamitra and Varunmitra trainings under short term training component of Human Resource Development programme, to train youth of age above 18 years as solar PV technicians for installation, operation and maintenance of solar power projects and solar water pumping systems respectively. These programmes are implemented through National Institute of Solar Energy (NISE) Gurugram, an autonomous organization under the Ministry. About 57371 no. of candidates were trained under Suryamitra and about 1266 no. of candidates have undergone training under the Varunmitra training till date.

As part of capacity building component under PM-Surya Ghar: Muft Bijli Yojana, an outlay of 1% of Central Financial Assistance for residential consumers i.e., Rs. 657 crore is allocated for capacity building aimed at creating more than 3 lakh skilled manpower, including 1,00,000 or more Solar PV Technicians, through fresh skilling, and up-skilling.

Annexure referred to in reply of part (a) of the Lok Sabha Unstarred Question No. 2642 for 07.08.2024 regarding 'Incentives to Develop Solar Industry'

Initiatives taken to increase domestic production and utilisation of solar PV products, inter-alia, include:

(i) Production Linked Incentive (PLI) Scheme: The Government of India is implementing the Production Linked Incentive (PLI) Scheme for 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. 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 for setting up of 8,737 MW of fully integrated solar PV module manufacturing units. For Tranche-II with an outlay of Rs. 19,500 crore, Letters of Award have been issued 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 Components B & C, and PM Surya Ghar: Muft Bijli Yojana, 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: In accordance with Department for Promotion of Industry and Internal Trade (DPIIT) 'Public Procurement (Preference to Make in India), Order', MNRE had notified Purchase Preference (linked with local content) for RE sector which, inter-alia, identified list of all goods and services or works in respect of which there is sufficient local capacity and local competition is available and mandated that only "Class-I local supplier" shall be eligible to bid for the above goods/services/works with the mandate that minimum local content should be at least 50%.

(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.

(vi) Renewable Energy Research and Technology Development Programme (RE-RTD): Ministry of New and Renewable Energy is implementing a "Renewable Energy Research and Technology Development Programme (RE-RTD)" through various research institutions and industry to develop indigenous technologies and manufacturing for widespread applications of new and renewable energy in efficient and cost-effective manner. The objective of the scheme is to support the R&D projects for technology development and demonstration in various areas of new and renewable energy such as solar photovoltaic systems, biogas systems, waste to energy systems, wind energy systems, hybrid systems, storage systems, hydrogen and fuels cells, geothermal, etc. with the ultimate aim of increasing share of renewables in the energy mix in the country. It provides up to 100% financial support to government/non-profit research organizations and up to 70% to industry, startups, private institutes, entrepreneurs, and manufacturing units.

Annexure referred to in reply of part (b) of the Lok Sabha Unstarred Question No. 2642 for 07.08.2024 regarding 'Incentives to Develop Solar Industry'

Details of State-wise location of manufacturing units to be set-up under PLI Scheme for High Efficiency Solar PV Modules

Sl. No.	Company Name	Expected Location of Manufacturing unit
Tranche-I		
1	Shirdi Sai Electricals Limited	Andhra Pradesh
2	Reliance Industries Limited	Gujarat
3	Adani Infrastructure Private Limited	Gujarat
Tranche-II		
1	Indosol Solar Private Limited	Andhra Pradesh
2	Reliance Industries Limited	Gujarat
3	FS India Solar Ventures Private Limited	Tamil Nadu
4	Waaree Energies Limited	Odisha
5	Avaada Ventures Private Limited	Uttar Pradesh, Maharashtra
6	ReNew Solar (Shakti Four) Private Limited	Rajasthan, Gujarat
7	JSW Renewable Technologies Limited	Rajasthan
8	Grew Energy Private Limited	Rajasthan, Jammu & Kashmir
9	Vikram Solar Limited	Tamil Nadu
10	AMPIN Solar One Private Limited	Odisha
11	Tata Power Solar Limited	Tamil Nadu