

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 338
ANSWERED ON 27/11/2024

RENEWABLE ENERGY PRODUCTION UNDER MAKE IN INDIA

338. SHRI RAJU BISTA

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

- (a) the manner in which Make in India initiative has contributed to India's growth as a global leader in renewable energy production;
- (b) the steps taken by the Government to boost domestic production of solar PV modules and other renewable energy equipment;
- (c) the manner in which financial incentives like the Production Linked Incentive (PLI) scheme helped scale up solar PV module manufacturing;
- (d) the details of significance of the Government's solar PLI scheme in creating job opportunities and attracting investment; and
- (e) the manner in which India's rapid growth in solar PV manufacturing capacity position the country to meet both domestic and global energy needs?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER

(SHRI SHRIPAD YESSO NAIK)

(a) & (b) The Government of India's "Make in India" initiative, has been a driving force in promoting investment, fostering innovation, and building world-class infrastructure to transform India into a hub for manufacturing, design, and innovation. The Ministry of New and Renewable Energy (MNRE), Government of India, has been consistently bringing out policies to boost domestic production of solar PV modules and other renewable energy equipment. Various initiatives taken, inter-alia, include those mentioned at **Annexure-I**.

(c) On 28.04.2021, MNRE issued the Scheme Guidelines for the Production Linked Incentive Scheme for High Efficiency Solar PV Modules (Tranche-I). At that time, solar PV module manufacturing capacity in India enlisted under Approved List of Models and Manufacturers (ALMM) was around 8.2 GW. As on 31.10.2024, this capacity has surged to around 60.5 GW. A key factor contributing to this rapid increase in solar PV module manufacturing capacity in India is the implementation of the PLI Scheme for High Efficiency Solar PV Modules.

(d) As per the information provided by the solar PV manufacturers selected under PLI Scheme for High Efficiency Solar PV Modules, as on 31.10.2024, an investment of around Rs. 35,000 crore has been made and direct employment for around 10,000 persons has been created.

(e) The solar power generation capacity added in the country in Financial Year 2023-24 was around 15.03 GW. As per data in respect of solar module manufacturing capacity enlisted in Approved List of Models and Manufacturers (ALMM), the installed capacity of solar PV module manufacturing capacity in the country is around 60.5 GW. Thus, the country is well-positioned to meet domestic demand and cater to the global market through exports.

Annexure referred to in reply of part (a) & (b) of the Lok Sabha Unstarred Question No. 338 for 27.11.2024 regarding 'Renewable Energy Production under Make in India'

Initiatives taken to increase domestic production of solar PV modules and other renewable energy equipment., 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) Domestic Manufacturing in Wind Sector: MNRE has also put in place a procedure to enlist type and quality certified wind turbines under 'Revised List of Models & Manufacturers' (RLMM). It also mandates that Hub and Nacelle assembly / manufacturing facility shall be in India. Around 31 different models of wind turbines are being manufactured in India by 14 different companies. The current annual production capacity of wind turbines in the country is around 18,000 MW.

(vii) 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.