

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 5171
ANSWERED ON 02/04/2025

INSTALLED CAPACITY OF DOMESTIC SOLAR PV MANUFACTURING

5171. SHRI P P CHAUDHARY

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

- (a) the current installed capacity of Solar PV Module manufacturing in India in comparison to other major manufacturing countries such as China, Vietnam and the United States;
- (b) whether any assessment has been conducted regarding India's competitive position in the global solar manufacturing value chain and if so, the details of findings and the gaps identified thereof;
- (c) whether the Government has implemented any specific incentives or policy measures to enhance domestic solar manufacturing capacity and if so, the details thereof; and
- (d) whether any targets have been set for increasing domestic value addition in solar manufacturing and if so, the details thereof and the progress achieved so far?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER
(SHRI SHRIPAD YESSO NAIK)

(a) The current installed capacity of solar PV module manufacturing in India, as per the Approved List of Models and Manufacturers (ALMM), issued on 27.03.2025 is around 74 GW. As per the information provided by Indian Solar Manufacturers Association, the installed capacities of Solar PV Module manufacturing in China, Vietnam, and United States are around 1000 GW, around 23.35 GW, and around 50 GW respectively.

(b): No, Ministry of New & Renewable Energy has not undertaken any such formal assessment.

(c): The Government has taken several measures to enhance domestic solar manufacturing capacity, which inter alia include those mentioned at **Annexure-I**.

(d): No, the Government has not set any specific targets for increasing domestic value addition in solar manufacturing. However, the Government has taken several steps to increase domestic value addition in solar manufacturing. Under the PLI Scheme for high efficiency solar PV modules, the amount of PLI is linked to the local content in the solar PV modules manufactured by the solar PV manufacturers selected under the Scheme. The PLI amount increases with increased local value addition, thereby encouraging manufacturers to source their material domestically. Further, 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. Additionally, MNRE had notified Purchase Preference (linked with local content) for RE sector.

These steps, inter-alia, have begun to show encouraging signs, reflected in the growing domestic solar manufacturing capacity. The solar PV module manufacturing capacity, enlisted under ALMM, has risen to around 74 GW, ninefold increase over four years. The solar PV cell manufacturing capacity in the country as per the information provided by the Solar PV Manufacturers Associations, has increased to around 25 GW. Further, Ingot and Wafer manufacturing capacity of around 2 GW has also been installed in the country. The aforesaid manufacturing capacity of solar PV cells and modules includes around 3.2 GW fully integrated thin film solar PV module manufacturing capacity, which is not dependent on imported Solar Cells, Wafers, and Polysilicon, as the manufacturing process is fully integrated and all the major steps involved in the manufacturing process, take place in India.

Annexure-I

Annexure referred to in reply of part (c) of the Lok Sabha Unstarred Question No. 5171 for 02.04.2025 regarding 'Installed Capacity of Domestic Solar PV Manufacturing'

Initiatives taken to enhance domestic solar manufacturing capacity, 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. Under the scheme, Letters of Award have been issued for setting up of 48,337 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, solar PV modules, and solar glass: The Government has imposed Basic Customs Duty (BCD) on import of solar PV cells, solar PV modules, and solar glass.

(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) Exemption of Custom Duty on capital goods for manufacture of Solar Cells and Modules: The Government has exempted customs duty on import of the goods specified in List 41 of the notification No. 30/2024-Customs dated 23.07.2024, for the manufacture of solar PV cells and modules.