

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 1706**  
ANSWERED ON 30/07/2025

**SCHEME TO BOOST DOMESTIC MANUFACTURING OF SOLAR CELLS**

1706. SHRI TANUJ PUNIA

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

(a) the measures taken by the Government to support domestic manufacturers in scaling up production to meet the anticipated demand in light of the mandate requiring clean energy projects to use locally-produced solar cells starting June 2026; and

(b) the manner in which the Government proposed to ensure that Production Linked Incentive (PLI) scheme for solar PV Module leads to a reduction in the cost of solar power projects and decreases reliance on imports considering the scheme to boost domestic manufacturing of solarphotovoltaic (PV) modules?

**ANSWER**

**THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER**

**(SHRI SHRIPAD YESSO NAIK)**

(a) As per the information received from All India Solar Industries Association (AISIA), the current installed solar cell manufacturing capacity in India is 26.35 GW. The Ministry of New and Renewable Energy (MNRE), Government of India, has been consistently bringing out policies to further boost domestic manufacturing capacity of solar cells. Various initiatives taken, inter-alia, include those mentioned at **Annexure-I**.

(b) The Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules is aimed at promoting manufacturing of high efficiency solar PV modules in India and thus reducing import dependency for solar energy sector. Under PLI Scheme for High Efficiency Solar PV Modules, Letters of Award have been issued for setting up of 48,337 MW of fully/partially integrated solar PV module manufacturing units. The manufacturing units sanctioned under PLI scheme for High Efficiency Solar PV modules are eligible for getting PLI on annual basis on manufacture and sale of High Efficiency Solar PV modules for 5 years from the actual date of commissioning or scheduled commissioning date, whichever is earlier, subject to fulfillment of conditions specified in scheme guidelines/tender documents. While the scheme may influence long-term module affordability, the prices of solar panels/modules are decided by the concerned solar PV module manufacturing companies who compete with each other in the market.

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**Annexure referred to in reply of part (a) of the Lok Sabha Unstarred Question No. 1706 for 30.07.2025 regarding 'Scheme to Boost Domestic Manufacturing of Solar Cells'**

Initiatives taken to increase domestic manufacturing capacity of solar cells, 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, which includes manufacturing of solar cells as well.

**(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) Imposition of Basic Customs Duty on import of solar PV cells and modules:** The Government has imposed Basic Customs Duty (BCD) on import of solar PV cells, and modules.

**(iv) 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 manufacturer of solar PV cells and modules.