

Steps by Government to enhance the domestic manufacturing of Solar module

MNRE launches “Renewable Energy Research and Technology Development Programme” to enable indigenous technology development and manufacture for wide spread applications of new and renewable energy

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The Government has taken a number of steps to enhance the domestic production of important components such as solar cells, modules and solar inverters, namely:

- i. **Modified Special Incentive Package Scheme (M-SIPS) Scheme of Ministry of Electronics & Information Technology:** The scheme mainly provides subsidy for capital expenditure – 20% for investments in Special Economic Zones (SEZs) and 25% in non-SEZs. The Scheme was open to receive applications till 31st December, 2018. The Scheme inter-alia covered solar PV cells, solar PV modules, EVA, backsheet and solar glass.
- ii. **Preference to ‘Make in India’ in Public Procurement in Renewable Energy Sector:** Through implementation of ‘Public Procurement (Preference to Make in India) Order’, procurement and use of domestically manufactured solar PV modules and domestically manufactured solar inverters has been mandated for Govt. / Govt. entities.
- iii. **Domestic Content Requirement (DCR):** Under some of the current schemes of the Ministry of New & Renewable Energy (MNRE), namely CPSU Scheme Phase-II, PM-KUSUM and Grid-connected Rooftop Solar Programme Phase-II, wherein government subsidy is given, it has been mandated to source solar PV cells and modules from domestic sources.
- 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. **Production Linked Incentive (PLI) Scheme for High Efficiency Solar PV Modules:** MNRE is implementing the Production Linked Incentive Scheme ‘National Programme on High Efficiency Solar PV Modules’, with an outlay of Rs. 4,500 crore for supporting setting up of

integrated manufacturing units of high efficiency solar PV modules by providing Production Linked Incentive (PLI) on sales of such solar PV modules. Letters of Award have been issued to the eligible successful bidders to the extent of funds allocated (i.e. the present scheme outlay of Rs. 4,500 crore). An additional outlay of Rs. 19,500 crore was announced in the Budget 2022-23 on 1st February 2022.

- vi. To promote the Indian renewable energy manufacturing ecosystem in India, Indian Renewable Energy Development Agency (IREDA), a CPSE under MNRE, has a loan scheme for setting up manufacturing facilities.

The Ministry of New & Renewable Energy (MNRE) is implementing a scheme “Renewable Energy Research and Technology Development (RE-RTD) Programme” to enable indigenous technology development and manufacture for wide spread applications of new and renewable energy. This scheme covers research and development in the area of solar module manufacturing. Under the scheme, upto 100% financial support to Government / non-profit research organizations and upto 50-70% to Industry, Start-ups, Private Institutes, Entrepreneurs and Manufacturing units, is provided.

This information was given by Shri R.K Singh Union Minister for Power and MNRE in a written reply in Lok Sabha today.

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