

**GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA**

UNSTARRED QUESTION NO:4579
ANSWERED ON:20.08.2010
SUBSIDY FOR PRODUCTION OF SOLAR PHOTOVOLTAIC CELLS
Badal Harsimrat Kaur

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

- (a) the steps taken by the Government for encouraging the production of Solar Photovoltaic Cells in the country;
- (b) whether the Government provides subsidies to companies engaged in the production of these cells;
- (c) if so, the details thereof; and
- (d) the details of the financial assistance/ subsidies Government proposes to provide to the manufacturing companies for increasing the production of these cells in the country in the remaining years of the Eleventh Five Year Plan?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY(DR. FAROOQ ABDULLAH)

(a),(b),(c)&(d): The Government has been providing various financial and fiscal incentives to the manufacturers of solar photovoltaic (PV) cells and modules in the country. These incentives include concessional customs duty on the import of raw materials for solar cells and no excise duty on the domestic production of solar cells.

In addition, under the Jawaharlal Nehru National Solar Mission, in the first lot of grid-connected solar PV power projects, to be selected in 2010-11, use of domestically manufactured crystalline silicon modules is mandatory, but modules manufactured using other technologies and silicon solar cells can be imported. In the next stage of PV projects, which will be selected in 2011-12, PV cells/modules made with any technology will be manufactured in India. However, the Government is not providing any capital subsidy to set up a manufacturing unit of solar PV cells.