

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

UNSTARRED QUESTION NO:5076
ANSWERED ON:26.04.2013
LOCAL PROCUREMENT POLICY
Owaisi Shri Asaduddin

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

- (a) whether it is true that despite local procurement conditions stipulated for solar power projects set up under Jawaharlal Nehru National Solar Mission (JNNSM) imported modules or cells are being used in most of them;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether Government has felt an urgent need to review the local procurement policy in order to protect the interests of domestic cell and modules manufacturers; and
- (d) if so, the steps taken or being taken by the Government in this regard?

Answer

MINISTER FOR NEW AND RENEWABLE ENERGY (DR. FAROOQ ABDULLAH)

(a)&(b): Under the local procurement conditions stipulated for solar photovoltaic (SPV) power projects allotted under Jawaharlal Nehru National Solar Mission Phase-I specific scheme implemented through NVVN, it was made mandatory for projects based on crystalline silicon technology to use modules manufactured in India in case of projects selected in batch-1 during FY 2010-11 and to use both cells and modules manufactured in India in case of projects selected in batch-2 during FY 2011-12. No such restriction was imposed in case of projects based on thin film technology and accordingly import of thin film modules was permitted. The main reason for many developers opting for imported thin film modules is their relatively low cost.

(c)&(d): There is no laid down Government of India policy for procurement of Solar cells and modules. Power procurement is done by Distribution companies/ Power Utilities and they are mostly owned by State Governments who go by their own decisions in this regard. Government of India (GoI) has so far come up with different Schemes under Phase-I of the Solar Mission to procure power and then supply to the Discoms. In Phase-II, GoI has a target to facilitate procurement of 3000 MW of solar power.