

GOVERNMENT OF INDIA
MINISTRY OF NEW AND RENEWABLE ENERGY
LOK SABHA
UNSTARRED QUESTION NO. 1049
TO BE ANSWERED ON 21.12.2017

LOW QUALITY OF CHINESE SOLAR EQUIPMENT/COMPONENTS

1049. SHRI ASHOK SHANKARRAO CHAVAN:

SHRI SUDHEER GUPTA:
SHRI NARANBHAI KACHHADIYA:
SHRI T. RADHAKRISHNAN:
SHRI GAJANAN KIRTIKAR:
SHRI BIDYUT BARAN MAHATO:
KUNWAR HARIBANSH SINGH:
SHRI S.R. VIJAYAKUMAR:

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

- (a): whether low quality Chinese solar equipment and components are being sold in Indian market and if so, the details thereof;
- (b): whether the Government proposes to impose strict quality norms for solar equipment and components and allow their sale only if they are registered and approved by the Bureau of Indian Standards;
- (c): if so, the details thereof and the time by which it is likely to be implemented;
- (d): whether some countries have shown their interest to invest in manufacturing of the solar equipment and components in the country;
- (e): if so, the details thereof and the MoU signed for the said purpose along with the investment made in this regard; and
- (f): the steps taken/being taken by the Government to boost the domestic manufacturing and also encourage foreign companies to set up manufacturing units in the country for solar equipment and components?

ANSWER

THE MINISTER OF STATE FOR POWER AND NEW & RENEWABLE ENERGY (I/C)
(SHRI R.K. SINGH)

(a): There is no formal specific information relating to any specific solar equipment or component being of low quality and sold in Indian market.

(b) & (c): In order to impose strict quality norms for solar equipment and components and to restrict low quality solar PV equipment in Indian market, the Central Government, after consulting the Bureau of Indian Standards, has issued the “Solar Photovoltaics, Systems, Devices and Components Goods (Requirements for Compulsory Registration) Order, 2017” dated 5th September, 2017 for quality control of solar photovoltaic systems, devices and components. As per the conditions given, the said order shall come into force on the expiry of one year from the date of its publication in official gazette. However, it has been decided to make the said quality control order effective from 01.04.2018 in order to ensure quality of products in the deployment target of 2018-19.

The said order provides for certain conditions regarding manufacture, storage, sale, distribution, etc of solar photovoltaic systems, devices or components, including making an application to the Bureau of Indian Standards for obtaining registration for use of the Standard Mark in respect of the Indian Standard mentioned in the said Order.

(d) & (e): The Government has incentive schemes for encouraging domestic solar manufacturing in terms of earmarking certain projects for domestic content and a capital subsidy scheme (M-SIPS) for setting up of solar manufacturing facility. However, no MoU has been signed with any country for setting up of domestic manufacturing.

(f): Domestic manufacturing in solar PV sector in India is being supported by the Government of India through Special Incentive Package Scheme (SIPS)/ Modified Special Incentive Package Scheme (M-SIPS). The scheme, inter alia, provides for:

- i. 20-25% subsidy for investments in capital expenditure for setting up of electronic manufacturing facility.
- ii. Reimbursement of countervailing Duty (CVD)/ Excise Duty (wherever applicable) for capital equipment for the units outside Special Economic Zone (SEZ).

The incentives are available for several categories of electronic products and product components including Polysilicon, Ingots, Solar Photovoltaic (SPV), Cells, Modules/Panels. Units across the value chain starting from raw materials to assembly, testing, and packaging of these product categories are included.

In addition, the solar power projects being implemented under the Defence Establishments and Central Public Sector Undertakings (CPSUs) Schemes and those rooftop solar projects implemented with central financial assistance are mandated to source their requirement from domestic sources.

The Government has allowed 100 percent Foreign Direct Investment in the Renewable Energy Sector under automatic route.
