

GOVERNMENT OF INDIA  
MINISTRY OF NEW AND RENEWABLE ENERGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 310**  
ANSWERED ON 04/02/2025

**MANUFACTURING SOLAR PANEL IN COLLABORATION WITH US  
COMPANIES**

310. SHRI A. D. SINGH

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

- (a) whether there is a proposal for manufacturing Solar Panel in Tamil Nadu in collaboration with US based companies;
- (b) if so, the details in this regard;
- (c) whether the proposal has been approved;
- (d) how long it will take to start the production of solar panels in the country; and
- (e) the steps taken to make the solar panels competitive in the market?

**ANSWER**

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

**(SHRI SHRIPAD YESSO NAIK)**

(a) to (d) Under Production Linked Incentive (PLI) Scheme for high efficiency solar PV modules of Ministry of New and Renewable Energy (MNRE), Letter of Award has been issued in April 2023, to M/s FS India Solar Ventures Private Limited for setting up 3400 MW of fully integrated solar PV module manufacturing capacity. M/s FS India Solar Ventures Private Limited is a 100% subsidiary of First Solar Inc. (which is a public listed company having headquarter in United States of America). M/s FS India Solar Ventures Private Limited has already started manufacturing of solar PV modules in its factory at Tamil Nadu. Its solar PV module manufacturing capacity as per MNRE's Approved List of Models and Manufacturers (ALMM) for solar PV modules (as of 23.01.2025) is 3212 MW.

(e) The prices of solar panels/modules are decided by the concerned solar PV module manufacturing companies who compete with each other in the market. However, to incentivize domestic manufacturing of solar PV modules, Government has taken several initiatives, which, inter-alia, include those mentioned at **Annexure-I**.

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**Annexure referred to in reply of part (e) of the Rajya Sabha Unstarred Question No. 310 for 04.02.2025 regarding Manufacturing solar panel in collaboration with US companies'**

Initiatives taken to increase domestic manufacturing of solar PV modules, 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. The Scheme is being implemented in two tranches. Tranche-I has an outlay of Rs. 4,500 crore, under which Letters of Award have been issued for setting up of 8,737 MW of fully integrated solar PV module manufacturing units. For Tranche-II with an outlay of Rs. 19,500 crore, Letters of Award have been issued for setting up of 39,600 MW of fully/ partially integrated solar PV module manufacturing units.

**(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) Preference to 'Make in India' in Public Procurement:** In accordance with Department for Promotion of Industry and Internal Trade (DPIIT) 'Public Procurement (Preference to Make in India), Order', MNRE had notified Purchase Preference (linked with local content) for RE sector which, inter-alia, identified list of all goods and services or works in respect of which there is sufficient local capacity and competition, and mandated that only "Class-I local supplier" shall be eligible to bid for the above goods/services/works with the mandate that minimum local content should be at least 50%.

**(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) Discontinuation of Customs Duty Concessions:** MNRE has discontinued issuance of Customs Duty Concession Certificates for import of material /equipment for initial setting up of solar PV power projects with effect from 02.02.2021.