

Solar PV cells to be in approved list of models and manufacturers soon

SUNNY SIDE UP. Move aims to aid domestic manufacturing, reduce reliance on China

Our Bureau
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The Ministry of New and Renewable Energy (MNRE) plans to include solar photovoltaic (PV) cells in the Approved List of Models and Manufacturers (ALMM) soon, to aid domestic manufacturing.

It will help reduce the influence of China in domestic solar manufacturing value chains considering that country accounts for 60 per cent of India's cumulative cell imports. So far, Indian-made modules and companies manufacturing at home are part of the ALMM.

Minister of New and Renewable Energy Pralhad Joshi said: "The plan is in the pipeline, and the thinking is on. Shortly we will take a considered decision."

CHECK ON CHINA

At present, India has 6 gigawatt (GW) solar PV cell manufacturing capacity. Polysilicon is used to manufacture ingots, which are then sliced into wafers. Wafers are processed to form



ENERGY PIVOT. Pralhad Joshi, Union Minister for Consumer Affairs and Renewable Energy, said a decision is in the pipeline ANI

cells. These cells are assembled together to create modules.

The move is also aimed at reducing reliance on China, the world's largest exporter of solar PV cells. China accounted for a whopping 94 per cent of India's cumulative solar PV cell imports and 93 per cent of solar PV module shipments in FY23.

However, China's share in cell and module import fell to 56 per cent and 66 per cent, respectively, in FY24. It accounted for 68 per cent of solar PV cell and 59 per cent of solar PV module imports during April-May FY25.

In value, India imported solar PV cells and modules worth around \$1.7 billion in FY20, which fell to \$571.65 million in Covid-impacted FY21. In FY22, again impacted by the pandemic, India's imports rose to \$4.5 billion. In FY23, imports fell to \$2.25 billion, but surged to a record \$6.21 billion a year later. During April-May of FY25, imports stood at around \$551 million.

Vietnam, Thailand and Singapore are the other top exporters, albeit on a much lower scale. ICRA in a February 2024 report said scaling up domestic module manu-

facturing over the past 12 months is expected to improve availability of modules from domestic OEMs.

However, the sector would remain dependent on imports for sourcing solar PV cells and wafers, given the limited cell manufacturing capacity and lack of wafer production in India, it added.

HOME MANUFACTURING

The Ministry is implementing the Production Linked Incentive (PLI) Scheme for high efficiency solar PV modules, for achieving domestic manufacturing capacity of Gigawatt (GW) scale with an outlay of ₹24,000 crore.

The scheme is being implemented in two tranches. Tranche-I has an outlay of ₹4,500 crore, under which Letters of Award (LoAs) have been issued for setting up of 8,737 megawatt (MW) of fully integrated solar PV module manufacturing units.

For Tranche-II, an outlay of ₹19,500 crore has been allocated and MoAs have been issued for setting up of 39,600 MW of fully/partially integrated solar PV module manufacturing units.