

F. No. 283/62/2020-GRID SOLAR

भारत सरकार / Government of India

नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)

ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Atal Akshay Urja Bhawan
Lodhi Road, New Delhi – 110003

Dated: 30th September, 2022

To

The Pay & Accounts Officer,
Ministry of New & Renewable Energy
New Delhi – 110003.

Sub: Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules'

Sir/ Madam,

I am directed to convey the sanction of the President for implementation of the Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules' for achieving manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV Modules.

2.0 Aims and Objectives:

2.1 Aim: To promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependence in the area of Renewable Energy.

2.2 Objectives:

- i. To build up solar PV manufacturing capacity of high efficiency modules.
- ii. To bring cutting-edge technology to India for manufacturing high efficiency modules. The scheme will be technology agnostic in that it will allow all technologies. However, technologies which yield better module performance will be incentivized.
- iii. To promote setting up of integrated plants for better quality control and competitiveness.
- iv. To develop an ecosystem for sourcing of local material in solar manufacturing.
- v. Employment generation and technological self-sufficiency.
- vi. To encourage sustainable manufacturing practices and adoption of circular economy approaches.

3.0 Implementation Methodology: The Scheme will be implemented as per the detailed Scheme Guidelines enclosed at Annexure-I.

4.0 Necessary funds for implementation of this Scheme during 2022-23 (if any required) and subsequent years will be drawn from the budgetary allocations to Ministry of New & Renewable Energy.



5.0 This issues with the concurrence of IFD vide their Dy. No. 154 dated 30.09.2022.

Yours faithfully,



(Sanjay G. Karndhar)

Scientist-D

Email: karndhar.sg@nic.in

Copy for information and necessary action to:

1. All Central Government Ministries and Departments.
2. NITI Aayog, Sansad Marg, Sansad Marg Area, New Delhi.
3. Renewable Energy /Power/Energy Departments of all States & UTs.
4. State Nodal Agencies for Renewable Energy (SNAs) of all States / UTs.
5. Major Public Sector Enterprises operating in Renewable Energy /Power /Energy sector.
6. Principal Director of Audit, Scientific Audit-II, DGACR Building, I.P. Estate, Delhi – 110002.
7. Director General (Local Bodies), Office of the Comptroller & Auditor General, 9-Deendayal Upadhyay Marg, New Delhi.
8. Solar Energy Corporation of India Limited (SECI), 6th Floor, Plate-B, NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi-110023.
9. National Institute of Solar Energy (NISE), Gwal Pahari, Faridabad-Gurugram Road, Gurugram, Haryana- 122003.
10. Indian Renewable Energy Development Agency Limited (IREDA), 3rd Floor, August Kranti Bhawan, Bhikaiji Cama Place, New Delhi – 110 066

Internal Distribution:

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Yours faithfully,



(Sanjay G. Karndhar)

Scientist-D

Email: karndhar.sg@nic.in

Sub: Scheme Guidelines for Implementation of the Production Linked Incentive Scheme (Tranche II) under 'National Programme on High Efficiency Solar PV Modules' for achieving manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV Modules.

1. Introduction & Background

1.1. The Union Cabinet approved the Production Linked Incentive (PLI) Scheme for National Programme on High Efficiency Solar PV Modules, for achieving manufacturing capacity of Giga Watt (GW) scale in High Efficiency Solar PV Modules) on 7th April, 2021. The outlay for this PLI Scheme was initially ₹ 4,500 crore (Tranche I) and the Ministry of New & Renewable Energy (MNRE) issued the Scheme Guidelines for Production Linked Incentive Scheme on 'National Programme on High Efficiency Solar PV Modules' on 28th April, 2021.

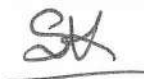
1.2. Under this tranche, Indian Renewable Energy Development Agency Limited (IREDA), the implementing agency on behalf of MNRE for the PLI Scheme (Tranche-I), issued the Bid Documents for selection of manufacturers for setting up manufacturing capacities for High Efficiency Solar PV Modules. In response, 18 bids corresponding to a Solar PV manufacturing capacity of 54,809 MW were received and Letters of Award were issued by IREDA on 11.11.2021/02.12.2021 to three successful bidders for setting up of 8,737 MW capacity of fully integrated Solar PV Module manufacturing units within PLI scheme outlay of ₹ 4,500 crore.

1.3. To establish a larger manufacturing base for solar PV modules, an additional allocation of ₹ 19,500 crore (Tranche II) for PLI for manufacture of high efficiency modules, with priority to fully integrated manufacturing units from polysilicon to solar PV modules, was announced in the Budget 2022-23, on 1st February 2022.

2. Aims and Objectives

The scheme aims to promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependence in the area of Renewable Energy. The objectives of the scheme include the following:

- i. To build up solar PV manufacturing capacity of high efficiency modules.
- ii. To bring cutting-edge technology to India for manufacturing high efficiency modules. The scheme will be technology agnostic in that it will allow all technologies. However, technologies which yield better module performance will be incentivized.
- iii. To promote setting up of integrated plants for better quality control and competitiveness.
- iv. To develop an ecosystem for sourcing of local material in solar manufacturing.
- v. Employment generation and technological self-sufficiency.
- vi. To encourage sustainable manufacturing practices and adoption of circular economy approaches.



3. Implementation Methodology

National Programme on Solar PV Manufacturing involving Production Linked Incentive (PLI) to enhance domestic manufacturing capacity of High Efficiency Solar PV Modules will be implemented through a transparent selection process, details of which are furnished in the succeeding paragraphs.

3.1. Implementing Agency

i. The PLI Scheme (Tranche-II) will be implemented by MNRE with Solar Energy Corporation of India Limited (SECI) as the Implementing Agency. SECI will be responsible for providing secretarial, managerial and implementation support and carrying out other responsibilities as assigned by MNRE from time to time. The responsibilities of SECI inter alia, include receipt of applications, examination and appraisal of applications as per the provisions of the scheme, issuing acknowledgements and letters of award to applicants, examination of claims of beneficiaries for disbursement of PLI, verification and reconciliation of disbursement claims with prescribed documents, compilation of data regarding progress and performance of the scheme through Quarterly Review Reports and other information / documents. SECI will also submit progress to MNRE on a quarterly basis along with details of disbursement claims received for PLI, amount disbursed, reasons for delay in disbursement of the incentives etc. SECI will be eligible to get **0.50%** of the PLI amount disbursed as administrative charges on annual basis.

ii. SECI will have the right to carry out physical inspection of an applicant's manufacturing units and offices. It may take help of National Institute of Solar Energy (NISE) for verification of efficiency and temperature co-efficient of modules. If required, MNRE may also designate National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited labs, etc. for such verification. A Project Management Unit (PMU) shall be established in MNRE to assist MNRE & SECI in the implementation of the scheme. Expenditure for PMU will be met out of the administration charges cited at para 3.1 (i) above.

3.2. Criteria for Selection of Beneficiaries

i. Selection

The beneficiaries of the PLI Scheme will be selected through a transparent selection process. Applications will be shortlisted after consideration of the following parameters. It is proposed to call bids for the award of manufacturing capacities commensurate with the additional fund allocation of ₹ 19,500 crore announced in the Union Budget 2022-23.

