

ii. Bidders eligible for PLI

The bidder manufacturer can be a single company or a Joint Venture/ Consortium of more than one company. However, in case of Joint Venture/Consortium, a partner/company will be allowed to tie up their manufacturing capacity (of any stage) with another partner/company for one bid only. Manufacturing units which have availed any benefit under the MNRE's tender(s) for solar Power Purchase Agreements linked to PV manufacturing or SIPS/ M-SIPS / SPECS schemes of Ministry of Electronics & Information Technology (MEITY), will not be eligible for benefits under this programme. However, any benefit under SIPS/ M-SIPS/ SPECS/ Manufacturing Linked Tender can be availed by manufacturers for the difference of offered bid capacity and double the PLI awarded capacity. For example, for a bid capacity of Y, if a manufacturer has been awarded PLI capacity of X, then it may avail any benefit under SIPS/ M-SIPS/ SPECS /Manufacturing Linked Tender, for capacity in excess of double the PLI awarded capacity i.e. Y-2X. SECI shall obtain an undertaking from bidders in this regard. Goods, equipment and services for which contracts have been concluded by technically qualified bidders in earlier PLI bid, after 11.11.2021 (the date of issue of Letters of Award under Tranche-I), will be eligible for counting towards calculating benefits under the PLI Scheme Tranche-II. For any other case to be eligible for PLI disbursement, the contract for capital equipment / services, etc. should be concluded after the issuance of letter of award.

iii. Greenfield & Brownfield projects

Greenfield solar PV module manufacturing will involve installation of new plant, machinery and equipment. Such Greenfield units must be established in physically segregated premises from any existing manufacturing units.

If a bidder who was issued Letter of Award under earlier bid, is awarded additional capacity under new bid, the new capacity established, will be considered Greenfield, even if it shares common facilities / infrastructure built for the capacity under PLI Tranche-I.

Brownfield manufacturing units will involve expansion of existing manufacturing facilities with addition of new production lines within the existing physical infrastructure and will also be allowed to participate. PLI receivable for such Brownfield projects will be 50% of the PLI receivable for Greenfield projects.

iv. Extent of Integration

In order to qualify for the bid, the applicant manufacturer will have to promise minimum integration across solar cells and modules. Based upon the extent of integration proposed, the bidder can opt for bidding for any one of the following three baskets:



Basket No.	Code	Description
1	P+W+C+M	Stage-1: Manufacturing of Polysilicon + Stage-2: Manufacturing of Ingots-Wafers + Stage-3: Manufacturing of Solar Cells + Stage-4: Manufacturing of Modules or Fully integrated manufacturing of Thin Film plant or Fully integrated plant of any other technology
2	W+C+M	Stage-2: Manufacturing of Ingots-Wafers + Stage-3: Manufacturing of Solar Cells + Stage-4: Manufacturing of Modules or similar level of integration of any other technology
3	C+M	Stage-3: Manufacturing of Solar Cells + Stage-4: Manufacturing of Modules or similar level of integration of any other technology

v. Manufacturing Capacity

In order to qualify for the bid, the applicant manufacturer will have to undertake to set up a manufacturing plant of minimum 1,000 MW capacity (1,000 MW each for all individual stages included in the manufacturer's proposal). The maximum capacity that can be bid for, i.e. the manufacturing capacity that a bidder will set up will be 10 GW for P+W+C+M and 6 GW each for W+C+M and C+M categories. However, the maximum capacity that will be awarded to one bidder under the PLI scheme will be 50% of the capacity to be set up by the applicant. This awarded maximum bid capacity will include any capacity awarded as per LoA issued by IREDA in Tranche-I.

To illustrate, if a bidder was earlier issued LoA(s) in P+W+C+M category, with 'manufacturing capacity to be installed' as 4 GW and 'eligible capacity (for claiming PLI)' as 2 GW, it can bid for maximum $[10-4] = 6$ GW in the new bid and if it bids for his maximum possible (6 GW) in the new bid and is successful in the new bid, it will have to set up new 6 GW manufacturing capacity, in addition to the 4 GW capacity that it has to set up as per the LoA issued in respect of the earlier bid. However, it would be eligible for a PLI against a manufacturing capacity of 50%, i.e. 2GW from earlier LoA and 3GW from LoA awarded under these guidelines.

vi. Trajectories of Module Performance and Local Value Addition (LVA)

Manufacturers will have to fulfill certain minimum values of module performance (combination of module efficiency and module's temperature co-efficient of P_{max}) and Local Value Addition (LVA) for being eligible for PLI, as follows:

Parameter & integration category		Minimum values required for 1 st year after commissioning	Minimum values required for 2 nd year after commissioning	Minimum values required for 3 rd year after commissioning	Minimum values required for 4 th year after commissioning	Minimum values required for 5 th year after commissioning
Module Efficiency* & Module's temperature co-efficient of Pmax	P+W+C+M	<i>Minimum module efficiency of 21.00% with temperature coefficient of Pmax equal to or better than -0.40% per degree Celsius</i> OR <i>Minimum module efficiency of 20.50% with temperature coefficient of Pmax better than -0.30% per degree Celsius</i>				
	W+C+M					
	C+M					
Local Value Addition (LVA)	P+W+C+M	75%	78%	82%	86%	90%
	W+C+M	60%	65%	70%	75%	85%
	C+M	50%	55%	60%	65%	75%

* Under Standard Test Conditions (STC), i.e. Irradiance 1000 W/m², cell temperature 25°C, air mass (AM)= 1.5;

vii. Category-wise Baskets

The capacities will be allocated in separate categories based on the fund allocated for each category. This will enable competition among bidders within a particular level of integration, while also promoting a diversified supply chain.

Basket No.	Code	Fund Allocation (crore Rs.)
1	P+W+C+M	12,000
2	W+C+M	4,500
3	C+M	3,000

In case a particular category is undersubscribed, i.e. funds are left over even after award of capacities in the category, there will be inter-category fungibility of funds, with preference to higher integration baskets for allocation of leftover funds. To illustrate, if capacity equivalent to only Rs. 2500 crore of W+C+M have been awarded among all bidders, the remaining Rs. 2000 crore would be allocated for any unmet bid capacity in P+W+C+M category first and then in C+M category.

4. Bid Submission

Bidders will submit the following details which will be used for determining the award of capacities for PLI and calculation of PLI:



Sl. No.	Parameter
a	Extent of Integration
b	Manufacturing Capacity proposed to be set up (in GW)
c	Year-wise percentage of Local Value Addition (LVA)
d	Year-wise performance parameters of manufactured modules (module efficiency and module's temperature co-efficient of P _{max})

The applicant shall, in its application, also declare the type of technology proposed to be set up, plan for local value addition, and the estimated employment generation and exports during the tenure of the Scheme.

5. Calculation of Production Linked Incentive (PLI) and Allocation of Capacities

5.1. The PLI for allocated bid capacity will be calculated year-wise as a product of following four components:

- Base PLI Rate (in ₹/Wp) as identified from the applicable Performance Matrix, based on the module efficiency and module's temperature coefficient of P_{max}, quoted by the bidder for the particular year;
- LVA Factor, which is a function of percentage of Local Value Addition (LVA), as quoted by the bidder for the particular year;
- Tapering Factor (TF) for the particular year;
- Yearly sales [in Watt peak (Wp)] corresponding to the manufacturing capacity eligible for claiming PLI.

5.2. Formula for calculation of PLI amount shall be as follows:

$$PLI \text{ (in Rs.)} = \sum_{i=year1}^{year5} (\text{Base PLI Rate}_i \times \text{LVA Factor}_i \times \text{TF}_i \times \text{Sales}_i)$$

where,

a) 'i' is the year counted from date of scheduled or actual commissioning (whichever is earlier) ranging from 1 to 5;

b) **Base PLI Rate:** On the basis of module efficiency and module's temperature co-efficient of P_{max} (hereinafter also referred to as module's temperature co-efficient), 'Base PLI Rate' will be determined in ₹/Watt peak (₹/Wp) as per the Performance Matrix Tables given below. The Base PLI Rate (₹/Wp) increases with module efficiency to motivate and incentivize manufacturers for producing higher efficiency modules which also requires higher investment into R&D.

