

Solar cell exports up 10x on US curbs on China

M Ramesh
Chennai

Exports of solar cells and modules from India have gone up to \$ 628.38 million in April - July 2023, which is 1,062 per cent higher than \$ 54.04 million recorded in the same period of 2022, according to government data. (Cells go into the manufacture of modules.)

Indian manufacturers of solar cells and modules are having a good time, thanks almost entirely to the US market, which has kept the (cheaper) Chinese away due to a variety of reasons.

The rise in exports is a windfall of sorts for the Indian

manufacturers who are wallowing in the lucrative US market, where China cannot sell due to certain trade barriers.

WINDFALL YEAR

"The flourishing business in the US market in particular is contributing significantly to the growth of our industry," says Hitesh Chamanlal Doshi, Chairman and Managing Director of Waree, a leading Indian solar module manufacturer.

Module manufacturers also enjoy three types of support in the domestic market - PLI, protection by way of 40 per cent basic customs duty and the requirement of approval for modules by the Ministry of

New and Renewable Energy, in the form of the 'Approved List of Models and Manufacturers (ALMM).

This situation has drawn murmurs of protests from the Indian solar energy developers who have to pay 8-9 cents a Watt-peak more in the form of the basic customs duty, even though the Indian manufacturers need no such protection because they are not selling much in India.

DEVELOPERS' COMPLAIN

Srivatsan Iyer, Global CEO, Hero Future Energies, pointing out that the Indian manufacturers enjoy customs duty protection while having no requirement to cater to the Indian market, called the BCD "a

bit of a perverse incentive."

Doshi, while "acknowledging the fact that certain trade barriers brought into place by other nations have given non-Chinese manufacturers an opportunity to export," observes that the demand for electricity in India is increasing - a demand "best fulfilled by solar power."

Doshi told *businessline* that this demand should "ideally be met by domestic manufacturers." He further noted that "the implementation of PLI could accelerate the process to a considerable extent." This would enable domestic players to more effectively compete with overseas manufacturers in terms of costs, he said.