SOLAR IMPORTS ANTI-DUMPING DUTY WILL NOT HURT CONSUMERS: ISMA JULY 5, 2014 THE ECONOMIC TIMES

Solar imports anti-dumping duty will not hurt consumers: ISMA

Mitul Thakkar, ET Bureau Jul 4, 2014, 05.18PM IST

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NEW DELHI: Solar power gear makers have rejected the argument put forth by developers that imposition of antidumping duty on imported solar power equipment will double the cost of solar power in the country, saying the cost escalation will not be even 10 per cent.

"With imposition of anti-dumping duty, the price of solar power is expected to rise by only 6-8 per cent," said a spokesperson for Indian Solar Manufacturers' Association (ISMA), which represents 25 solar manufacturers. "The overall price of power at the billing point of the consumer will be a mere 2 to 3 paise more based on the current energy mix." The price of unsubsidised solar power is in the range of Rs 7.5-8.5 per unit.



The statement came after developers opposed a commerce ministry move to levy anti-dumping duty on solar cells imported from the US, Malaysia, China and Taiwan to protect domestic manufacturers.

Following representations by developers, the ministry of new and renewable energy has asked the commerce ministry to review its proposal.

Union minister for power, coal and renewable energy Piyush Goyal had recently said that domestic equipment capacity is inadequate to meet the demands of the country's ambitious solar power mission. He, however, added that India needs to promote its own manufacturing capabilities.

ISMA says the government's target to raise solar power capacity to 20,000 MW by 2022 from the current 1,200 MW will attract investments worth Rs 1.50 lakh crore. Companies such as Tata Power Solar Systems, Moser Baer Solar, Jupiter Solar Power and Indosolar are members of ISMA.

"There is a strong international and domestic investor interest in solar manufacturing in India. Investors are awaiting a clear message from government to ramp up their manufacturing programme," ISMA said.

ISMA says imposition of anti-dumping duty on imported gear will not affect the ongoing 975 MW capacity addition as claimed by the developers.

"USA and European Union have already imposed anti-dumping duties on solar cells and modules from China. Now, a two-year Indian investigation has also recommended the same. The Indian renewable energy policy should be based on well-established principles of self-sufficiency, conservation of foreign exchange and promotion of Indian manufacturing," ISMA said.

Stressing on the possibility of bringing down the cost of domestic solar panels, ISMA said India has abundant resources of silica to manufacture silicon wafer and its members have the ability to repeat the success story of telecom and information technology if the government provides it adequate protection from dumping of cheaper supplies.