

**File No. 27(2)/2012-IPHW**  
**Ministry of Communication and Information Technology**  
**Department of Electronics & Information Technology (DeitY)**

Dated: 04-12-2012

**ORDER**

**Sub.: Investments in Solar Photovoltaic under MSIPS – regd.**

(Ref.: MSIPS Policy Gazette Notification No. 175 dated 27-07-2012)

The Modified Special Incentives Package Scheme (MSIPS) to encourage investments in new Electronics System Design and Manufacturing (ESDM) units and expansion of capacity / modernization and diversification of existing ESDM units in India was notified vide notification no. 175 dated 27<sup>th</sup> July 2012 in Part-I, Section 1 of the Gazette of India (Extraordinary). Note 3 of Annexure-I of this notification states that incentives for investments in additional Solar Photovoltaic (SPV) shall be decided based on the outcome of the proposals received under Special Incentive Package Scheme (SIPS) announced vide Notification No. 3(1)/2007-IPHW(SIPS) dated 21-03-2007.

2. Accordingly, the matter was examined in consultation with Ministry of New and Renewable Energy( MNRE), National Manufacturing Competitiveness Council( NMCC), Indian Semiconductor Association (ISA) & Indian Solar Manufacturing Association(ISMA).

3. The Jawaharlal Nehru National Solar Mission (JNNSM) launched in January 2010 aims to make India a global leader in solar energy by creation of favourable conditions for solar manufacturing capability for indigenous production. It is expected that solar photovoltaic adoption will be driven at a fast pace over the coming years. It is noted that currently the requirement of Polysilicon which forms the feedstock in the production of solar cells and solar modules is entirely met through imports. The domestic manufacturing capability of Balance of Systems( BoS) comprising of charge controller, battery and inverter which is used to connect to solar cells and modules to produce the output power, is also very limited and inverters with higher output are mostly imported.

4. In order to foster and create desired domestic manufacturing capacity across the value chain in long term, the coming up SPV manufacturing needs to be supported. It is therefore decided to consider incentives for investments in Solar Photovoltaic under MSIPS.



**(Dr. Ajay Kumar)**

**Joint Secretary, Govt. of India**

To:

1. Principal Secretary to the Prime Minister
2. Cabinet Secretary
3. Secretary, Planning Commission
4. Secretary, Department of Expenditure
5. Secretary, Department of Commerce
6. Secretary, Department of Revenue
7. Secretary, Department of Industrial Policy and Promotion
8. Secretary, MSME
9. Member Secretary, National Manufacturing Competitive Council
10. Secretary, Ministry of New and renewable Energy
11. Secretary, Department of Science & Technology
12. Additional Secretary & Financial Advisor, DeitY
13. Secretary, Department of Legal Affairs
14. Comptroller & Auditor General of India
15. ESDM website