

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

UNSTARRED QUESTION NO:4249  
ANSWERED ON:03.08.2009  
SPECIAL INCENTIVE PACKAGE SCHEME  
Rao Shri Nama Nageswara

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the proposals have been received by the Government from various States including Andhra Pradesh for creating additional hardware manufacturing capacity particularly the semi conductor wafer fabs under the Special Incentive Package Scheme;
- (b) if so, the details thereof indicating the number of proposals received, processed and approved; and
- (c) the details regarding the additional capacity likely to be created in this regard and the time by which hubs of such manufacturing facilities are likely to become operational?

**Answer**

MINISTER OF STATE FOR COMMUNICATIONS AND INFORMATION TECHNOLOGY(SHRI SACHIN PILOT)

(a), (b) and (c): Government has not received any proposal from State Governments under the Special Incentive Package Scheme (SIPS). However, various companies have individually submitted applications under this Scheme, which are proposed to be located in various states.

Government has not received any Semiconductor Wafer Fab proposal to be located in Andhra Pradesh. However, four applicants in the field of solar photovoltaic have proposed to locate their projects in Fab City, Hyderabad, Andhra Pradesh.

Till date, Eighteen (18) proposals in all, in the areas covering Solar Photovoltaic, TFT-LCD Panel and Semiconductor Fab, have been received under SIPS.

In-principle letters have been issued to 12 applicants in the area of solar photovoltaic, whose applications have been found to prima facie meet the basic technical qualification criteria laid down in the Notification on the said Scheme and have taken specified preliminary steps towards project implementation. However, the approval for the grant of financial incentives for the projects would be considered subject to:

- (i) achieving Financial Closure for the proposed project,
- (ii) the project and all facilities connected with it being physically and financially separate and
- (iii) final recommendation of the Appraisal Committee (AC) and its acceptance by the Government taking into account the ceiling on the number of eligible projects as laid down under the Scheme.

The additional capacity likely to be created depends on the implementation of the various projects by the proponents of the scheme.