

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

UNSTARRED QUESTION NO:3757

ANSWERED ON:12.08.2015

MSIPs

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

Will the Minister of Communications and Information Technology be pleased to state:

- (a) whether the Government is planning to extend the Modified Special Incentive Packages(MSIPS) for another five years and if so, the details thereof;
- (b) whether some new electronic products and telecom equipments are likely to be included in the scheme if so, the details thereof;
- (c) the aims and objectives of the said scheme;
- (d) the total number of jobs likely to be created and the approximate amount of investment expected under the scheme; and
- (e) whether the Government has created a mechanism for Technology and Product Development forecast for monitoring five year rolling programme of technology developments, if so, the details thereof?

Answer

ANSWER

MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a) and (b): The Government has extended the Modified Special Incentive Package Scheme (MSIPS) for a period of five years beyond July 26, 2015. The list of new electronic products and telecom equipments which are included in the scheme are annexed herewith as Annexure.

(c) and (d): The scheme has proposes to partly offset the challenges like high transactional costs, complex administrative processes and infrastructural deficiencies by the Electronic System Design and Manufacturing (ESDM) industry in the country . The vision of 'Net Zero Import' by 2020 proposes an investment of nearly USD 100 Billion and total employment of nearly 28 million people in the sector.

(e): The Department of Electronics & Information Technology (DeitY) has been supporting research and development projects at various academic and R&D institutions for promotion of electronics and IT systems and applications required by different service and economic sectors in the country. Some of the products/technologies developed through support of DeitY have also been transferred to industry for commercialization against transfer of technology (TOT) fee. However, DeitY has not created a mechanism for Technology and Product Development forecast.

ANNEXURE

List of additional products/intermediates included in M-SIPS

A

Electronics Products :

- 1 Telecom products : Optical Fibres and Optical Fibre Cables, Headends
- 2 IT Hardware products : Automatic Teller Machines (ATMs), etc.
- 3 Consumer Electronics : Audio Video products, electronic watches and clocks, electronic toys, wearable electronics, electronic personal care products, etc.
- 4 Automotive Electronics: Brushed DC Motors etc.
- 5 Bio-metric and identity devices/RFID: Smart Card manufacturing and personalization
- 6 Consumer Appliances like Refrigerators, ACs, Fully Automatic Washing Machines, Microwave Ovens etc.
- 7 Electronic product design including PCB design
- 8 Machine to Machine (M2M) and Internet of Things (IoT) products
- 9 Home Fuel Cells

10 Multi-functional electronic devices

11 Semiconductor Equipment such as Automatic Test Handler, Pick & Place Machines, Test Head Manipulator and their accessories like Test Sockets, Probe Cards, ATE Load Boards, Conversion Kits, Docking Mechanisms

12 Electronic security devices- including CCTV/ surveillance equipment, CCTV, Access Control, intruder alarms etc.

B

Intermediates :

1 Electro-plating, small precision plastic and metal parts, tools, moulds & dies

2 Liquid Crystal Module (LCM)

3 Organic Light Emitting Diodes (OLED)

4 Chip Modules for Smart Cards

5 Analog/ Mixed Signal Semiconductor Chips

C

Capital Equipment for electronic products

D

Raw material exclusively for electronic products

E

Remanufacturing of electronic products
