

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

UNSTARRED QUESTION NO:2638

ANSWERED ON:28.07.2014

NATIONAL ELECTRONICS MISSION

Adsul Shri Anandrao ;Chavan Shri Harishchandra Deoram;Ram Mohan Naidu Shri Kinjarapu;Reddy Shri Ch. Malla

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

- (a) the name of the States producing maximum electronic hardware in the country along with the hardware-wise and State-wise details of production;
- (b) the percentage of domestic hardware parts being used in mobile phones manufactured and sold in the Country and the hardware-wise details of the places where these are being manufactured along with their value based percentage;
- (c) whether the Government has any proposal to set up National Electronics Mission and Electronics Development Fund for development of Information Technology (IT),- Information Technology enabled services (ITes) and the Electronics hardware manufacturing industry in the country and if so, the details thereof;
- (d) whether the Government has also any proposal to promote the country as a electronic hardware manufacturing hub and if so, the details thereof; and
- (e) The steps taken/being taken by the Government in this regard?

**Answer**

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

(a) and (b): This Department does not maintain such data.

(c): The National Policy on Electronics (NPE), inter-alia, provides for setting up a National Electronics Mission with industry participation to evolve programmes in pursuit of the laid down policies and also to create Institutional mechanisms to advance the implementation of various programmes aimed at achieving the objectives of NPE and to promote India as and Electronics Hardware Manufacturing Hub. A draft Cabinet Note was circulated for inter-ministerial consultations in July 2011 in this regard. However, the Ministry of Finance and Planning Commission did not agree with the proposal.

The NPE also provides for creation of Electronic Development Fund to promote Innovation . and IP and R&D commercialisation of products, etc, in the electronics system design and manufacturing, nano-electronics and IT sectors, including mobile applications by providing appropriate funding/incentives to Industry/Academic/R&D institutions. In this regard, the policy for Electronics Development Fund (EDF) to promote innovation, intellectual property (IP), research and development (R&D), commercialization of products in the Electronics System Design and Manufacturing (ESDM), nano-electronics and information technology (IT) sectors is under finalization by the Government.

(d) and (e): Yes, Sir, the Government has notified the national policy on electronics on 23-11 -2012 after the approval of Union Cabinet to promote the country as a electronics hardware manufacturing hub and the steps taken/being taken by the Government to promote Electronics design and manufacturing in the country are mentioned in the Annexure.

**Annexure**

Steps taken by the Government for promotion of electronics & IT hardware manufacturing` in the country

1. The National Policy on Electronics 2012 has been notified with a vision to create a globally competitive Electronics System Design & Manufacturing (ESDM) industry to meet the country's needs and serve the international market.
2. Modified Special Incentive Package Scheme (M-SIPS) provides financial incentives to offset disability and attract investments in the sector.
3. Government has approved setting up of two semiconductor wafer fabrication (FAB) manufacturing facilities in India.
4. Policy for providing preference to domestically manufactured electronic products in Government procurement is under implementation.
5. Electronics Manufacturing Clusters (EMC) Scheme provides financial assistance for creating world-class infrastructure for electronics manufacturing units.
6. Mandatory compliance to safety standards has been notified for identified Electronic Products with the objective to curb import of sub-standard and unsafe electronics goods.
7. Approvals for all foreign direct investment up-to 100% in the electronic hardware manufacturing sector are under the automatic route.

8. Taken steps for the development and implementation of the Indian Conditional Access System (CAS) to promote indigenous manufacturing of Set Top Box (STB) for Cable / DTH TV, keeping in view the huge indigenous requirement on account of roadmap for digitalization of the broadcasting sector.
9. An Electropreneur park providing Incubation for development of ESDM sector which will contribute IP creation and Product Development in the sector.
10. Under the Electronics Hardware Technology Park (EHTP) Scheme, approved units are allowed duty free import of goods required by them for carrying on export activities, CST reimbursement and excise duty exemption on procurement of indigenously available goods, as per the Foreign Trade Policy.
11. Under the Focus Product Scheme of the Foreign Trade Policy, exports of listed electronic products are entitled to duty credit scrip equivalent to 2% / 5% of FOB value of exports.
12. Tariff Structure has been rationalized to promote indigenous manufacturing of electronic items.
13. The Department of Electronics and Information Technology (DeitY) provides funding under several schemes for promotion of R&D, including support for International Patents in Electronics & IT (SIP-EIT); Multiplier Grants Scheme and Scheme for Technology Incubation and Development of Entrepreneurs (TIDE) in the area of Electronics, ICT and Management.
14. The `Scheme to enhance the number of PhDs in the Electronic System Design and Manufacturing (ESDM) and IT/IT Enabled Services (ITES) sectors has been approved. 3000 PhDs are proposed to be supported under the Scheme.
15. A Scheme for skill development of 90,000 persons in the ESDM sector has been approved to provide human resource for ESDM industry.