GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO.2963
TO BE ANSWERED ON 11.08.2017

POLICY TO BOOST ELECTRONIC MANUFACTURING

2963 SHRI HARIVANSH:

Will the Minister of Electronics & Information Technology be pleased to state:

(a) whether it is a fact that information technology-driven economy of the country has a great potential to grow;

(b) if so, the steps being taken by Government in this regard to promote it; and

(c) the present status with regard to implementation of New Electronic Policy to boost electronic manufacturing in the country?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI P. P. CHOUDHARY)

(a) to (c): The Information Technology-driven economy of the country has a great potential to grow. Government of India has launched a Digital India programme with a vision to transform India into a digitally empowered society and knowledge economy. The digital economy, *inter-alia,* includes Information Technology (IT) /Information Technology Enabled Services (ITeS), Electronics, Telecommunications, e-Commerce, Digital payments, Cyber Security, Internet of Things (IoT) and Digital Skilling. Considering the current and upcoming opportunities in the digital economy in above mentioned areas, it is estimated that the size of digital economy would grow to over 1 Trillion US Dollars (USD) by 2024-25, from about USD 413 Billion during 2016-17. The emerging technology areas such as Data Centre/Cloud, Space technologies, Robotics, Augmented Reality, IoT, Big Data/Business Analytics/Data Mining, Cyber Security, etc., have been identified to drive the growth.

Under the Digital India programme, the Government has launched two BPO promotion schemes namely India BPO Promotion Scheme (IBPS) and North East BPO Promotion Scheme (NEBPS), for creation of employment opportunities and promotion of investment in Information Technology and Information Technology Enabled Services (IT/ITES) sector across the country, particularly in small cities/towns including rural areas. These schemes provide capital support along with special incentives like encouraging employment to women and physically disabled persons, promoting local entrepreneurs, etc.

In order to promote an inclusive, vibrant and sustainable ecosystem for R&D and innovation, the Government, industry and academia are working together on a common platform to find solutions for the growing societal need and challenges. Towards achieving these goals Ministry of Electronics and Information Technology has initiated various research

programmes in different areas of Information Technology (IT). The Ministry has launched R&D Programmes in IT such as Technology Development Council (TDC), Technology Development for Indian Languages (TDIL), Free and Open Source Software (FOSS), High Performance Computing (HPC), Information Technology Research Academy (ITRA), etc. Some of the technologies have been transferred to industry and have been commercialized. These R&D programmes have also contributed to development of complex IT solutions and competence building in the R&D centres.

Promotion of electronics hardware manufacturing is one of the pillars of Digital India programme of the Government. The National Policy on Electronics (NPE 2012) was notified in November 2012 with the vision to create a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market. Over the last few years, Government has taken several holistic, investor friendly and market driven initiatives to implement NPE 2012 to promote electronics manufacturing in the country, including, providing capital subsidy through the Modified Special Incentive Package Scheme (M-SIPS), infrastructure development through Electronics Manufacturing Clusters Scheme (EMC), promoting innovation and entrepreneurship through Electronics Development Fund (EDF), mandating safety standards and rationalization of tariff structure, promoting R&D in academic institutions, etc.

The mobile handset and components manufacturing has emerged as one of the flagship sectors under 'Make in India' initiative. As a result of various initiatives taken by the Government, significant manufacturing capacities have been set up in India during the last two years in this sector. Over 70 new plants for manufacturing of mobile handsets and components have been set up during this period and the sector has already generated about 1 lakh direct employment. The production of Mobile handsets has increased from 60 million units in 2014-15 to 175 million units in 2016-17. The production of LCD/ LED TVs has increased from 8.75 million units in 2014-15 to 15 million units in 2016-17. The production of LED products has increased from Rs.2,172 crore in 2014-15 to Rs.7,134 crore in 2016-17. Requisite measures/ policy interventions are taken on a continuing basis for creation of a conducive environment for promotion of R&D, innovation and manufacturing in the electronics sector.

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