

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 3442
TO BE ANSWERED ON 01.04.2022

**SCHEME FOR PROMOTION OF MANUFACTURING OF
ELECTRONIC COMPONENTS AND SEMICONDUCTORS**

3442. SHRI RAMKUMAR VERMA:

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

- (a) the details of the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) announced by the Government for the Electronic Manufacturing Sector;
- (b) the investment commitment by various electronic companies approved and the details thereof;
- (c) whether any proposal has been received from foreign investors for setting up of electronic equipment manufacturing factories in the country; and
- (d) if so, the details thereof

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAJEEV CHANDRASEKHAR)

(a) and (b): Government of India's goal is to make India a significant design and manufacturing hub in Global Value chain for Electronics as part of its AtmaNirbhar Bharat Economic policies. As part of this, we are broadening and deepening our electronics manufacturing ecosystem. To establish India as a global leader in electronics manufacturing, Government of India has launched many flagship schemes which are aimed at "Atmanirbhar Bharat – A self-reliant India" under the aegis of National Policy on Electronics 2019 (NPE 2019). The **Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)** is a step in this direction. It was notified on April 01, 2020 and provides financial incentive of 25% on capital expenditure for the identified list of electronic goods that comprise downstream value chain of electronic products, i.e., electronic components, semiconductor / display fabrication units, ATMP units, specialized sub-assemblies and capital goods for manufacture of aforesaid goods. The scheme is open to receive applications till 31.03.2023. As on February 28, 2022, the Executive Committee (EC) has approved 23 applications with **total project outlay** of Rs.6,816 crore and **committed incentives** of Rs 1,245 crore. The total **employment generation potential** of the approved applications is 29,021 (Twenty nine thousand and twenty one).

(c) and (d): The Government has taken strategic steps and initiatives to expand the electronics manufacturing sector in the country and make India a global electronics manufacturing and design hub. As a result of various initiatives taken by the Government, several proposals have been received from foreign investors under the following schemes:

- (i) Under the Modified Special Incentive Package Scheme (M-SIPS), a total of 127 proposals with proposed investment of Rs 59,086 crore from companies having foreign shareholding are under consideration for setting up of units for manufacturing of electronic

goods/products. Out of these 127 proposals, 124 proposals with proposed investment of Rs 56,341 crore have been approved. The reported capital expenditure incurred by 104 approved applicants (out of the approved 124 applicants) for electronic equipment manufacturing is Rs. 19,600 crore.

- (ii) Under the Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing notified on 1st April, 2020, a total of 12 applications from foreign companies have been approved.
- (iii) Under the Production Linked Incentive Scheme (PLI) for IT Hardware notified on 03rd March, 2021, a total of 4 applications from foreign companies have been approved.
