

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 523
TO BE ANSWERED ON: 06.02.2020

MANUFACTURING OF ELECTRONIC ITEMS

523. SHRI SYED NASIR HUSSAIN:

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

- (a) the details of the manufacturing and exports of electronics in India during the last five years;
- (b) the details of Government initiatives to boost the manufacturing of electronic items in India; and
- (c) the details of the number of electronic companies started in India under the "Make in India" programme?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)

(a): The production of key verticals of electronics in India during last five years was as under:

Value (INR crore)

Sl. No.	Item / Vertical	2014-15	2015-16	2016-17	2017-18	2018-19
1.	Consumer Electronics	55,806	55,765	64,742	73,524	77,000
2.	Industrial Electronics	39,374	45,083	62,214	69,057	80,850
3.	Computer Hardware	18,691	19,885	20,382	21,401	21,180
4.	Mobile Phones	18,900	54,000	90,000	1,32,000	1,70,000
5.	Strategic Electronics	15,700	18,055	20,760	23,562	28,270
6.	Electronic Components	39,723	45,383	52,099	59,132	67,706
7.	Light Emitting Diode (LED) Products	2,172	5,092	7,134	9,630	13,000
	Computed Total	1,90,366	2,43,263	3,17,331	3,88,306	4,58,006

Notes: (1) Data above is as provided by respective Industry Associations.

(2) Source : 1 - Consumer Electronics and Appliances Manufacturers Association (CEAMA) ; 2,5,6,& 7 - Electronic Industries Association of India (ELCINA); 3 - Manufacturers' Association of Information Technology (MAIT) ; 4 - India Cellular and Electronics Association (ICEA)

Source: MeitY Annual Report 2019-20

As per the Directorate General of Commercial Intelligence and Statistics (DGCIS), the exports of electronic goods from India during last five years was as under:

Financial Year	Value (INR crore)
2014-15	38,263

2015-16	39,064
2016-17	39,980
2017-18	41,220
2018-19	61,908

(b): The details of Government initiatives to boost the manufacturing of electronic items in India are at **Annexure-I**.

(c): The list of electronic companies which have been supported under the Modified Special Incentive Package Scheme (M-SIPS) under the "Make in India" programme and have commenced production are at **Annexure-II**.

Annexure-I

Government initiatives to boost the manufacturing of electronic items in India

- (i) The National Policy on Electronics 2019 (NPE 2019) has been notified on 25.02.2019. The vision of NPE 2019 is to position India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.
- (ii) Modified Special Incentive Package Scheme (M-SIPS) provides financial incentives to offset disability and attract investments in the electronics manufacturing sector. The scheme was open to receive applications till 31.12.2018.
- (iii) The Electronics Manufacturing Clusters (EMC) Scheme was notified to provide financial support for creation of state-of-art infrastructure for electronics manufacturing units. Under the scheme, approval has been accorded for setting up of 20 Greenfield EMCs and 3 Common Facility Centres (CFCs) in 15 States across the country.
- (iv) Tariff Structure has been rationalized to promote domestic manufacturing of electronic goods, including, *inter-alia*, Cellular mobile handsets, Televisions, Electronic components, Set Top Boxes for TV, LED products and Medical electronics equipment. To promote domestic value addition in mobile handsets and their parts/ components manufacturing, a Phased Manufacturing Programme (PMP) has been notified. As a result, India has rapidly started attracting investments into this sector and significant manufacturing capacities have been set up in the country during the past four years. The manufacturing of mobile handsets and their parts/ components has been steadily moving from Semi Knocked Down (SKD) to Completely Knocked Down (SKD) level, thereby progressively increasing the domestic value addition.
- (v) As per extant Foreign Direct Investment (FDI) policy, FDI upto 100% under the automatic route is permitted for electronics manufacturing, subject to applicable laws/ regulations; security and other conditionalities.
- (vi) For promotion of exports in the sector, Merchandise Exports from India Scheme (MEIS) and Export Promotion Capital Goods (EPCG) Scheme are available under the Foreign Trade Policy, 2015-20. MEIS offers export incentives so as to offset disabilities of manufacturing. Zero duty EPCG scheme allows import of capital goods at zero customs duty, subject to specified export obligation.
- (vii) The import of used plant and machinery having a residual life of at least 5 years for use by the electronics manufacturing industry has been simplified through the amendment of Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, vide Ministry of Environment, Forest and Climate Change Notification dated 11.06.2018.
- (viii) Notified capital goods for manufacture of specified electronic goods are permitted for import at "Nil" Basic Customs Duty.
- (ix) The Department of Revenue vide Notification No.60/2018-Customs dated 11.09.2018 has amended the Notification No.158/95-Customs dated 14.11.1995, relaxing the ageing restriction from 3 years to 7 years for specified electronic goods manufactured in India and re-imported into India for repairs or reconditioning.
- (x) In order to ensure safety of Indian citizens by curbing import of substandard and unsafe electronic goods into India, MeitY has notified "Electronics and Information Technology Goods (Requirement of Compulsory Registration) Order, 2012" for mandatory compliance. As per the provisions of the order, the manufacturer

has to get the product tested in laboratories recognized by Bureau of Indian Standards (BIS), take registration from BIS and put the registration mark on the product. 44 product categories have been notified under the Order.

- (xi) **Corporate Income Tax Reduction:** Domestic companies can now opt for concessional tax regime @22% (25.17% inclusive of surcharge and cess) provided that such a company has not claimed any income tax incentive or exemption. Such companies will also not be liable to pay Minimum Alternate Tax (MAT). Further, to attract fresh investments in manufacturing and boost Make in India, new provision has been made which allows new domestic companies incorporated on or after October 1, 2019, making fresh investment in manufacturing, and starting operations before March 31, 2023, an option to pay corporate income tax at 15 per cent (17.16% inclusive of surcharge and cess). Such company cannot avail any other income tax exemption/ incentive under the Income-Tax Act. Such companies will also not be liable to pay Minimum Alternate Tax (MAT). MAT rate for companies availing exemptions/ incentives has been reduced from 18.5% to 15%.

Promotion of Innovation and R&D

- (xii) Electronics Development Fund (EDF) has been set up as a “Fund of Funds” to participate in professionally managed “Daughter Funds” which in turn will provide risk capital to companies developing new technologies in the area of electronics, nano-electronics and Information Technology (IT). This fund is expected to foster R&D and innovation in these technology sectors.
- (xiii) Ministry of Electronics and Information Technology (MeitY) provides grant-in-aid support to institutes of higher learning like IITs, IISc, Central Universities and R&D Organizations to conduct research in identified thrust areas. These research programmes are aimed to deliver proof of concept, technology/ product development and transfer of technology. During the last few years, several research initiatives have been taken in these areas. These research programmes also result in generation of specialized manpower to support “Make in India”.
- (xiv) Indian Conditional Access System (iCAS) has been developed in Public-Private Partnership (PPP) mode to promote indigenous manufacturing of Set Top Boxes (STBs). The implementation of iCAS in the cable networks is underway.
- (xv) An Electropreneur park has been set up in New Delhi for providing incubation for development of ESDM sector which will contribute IP creation and Product Development in the sector.
- (xvi) National Centre of Excellence in Large Area Flexible Electronics (NCFLEX) has been set up in IIT-Kanpur with the objectives to promote R&D; Manufacturing; Ecosystem; Entrepreneurship; International Partnerships and Human Resources and develop prototypes in collaboration with industry for commercialization.
- (xvii) National Centre of Excellence for Technology on Internal Security (NCETIS) has been set up at IIT-Bombay with the objective to address the internal security needs of the nation on continuous basis by delivering technology prototypes required for internal security and to promote domestic industry in internal security.
- (xviii) Centre for Excellence on Internet of Things (IoT) has been set up in Bengaluru, jointly with NASSCOM.
- (xix) An Incubation centre with focus on medical electronics has been set up at IIT-Patna.
- (xx) A fabless chip design incubation centre has been set up in IIT Hyderabad to incubate start-ups in semiconductor design and to provide one-stop service to start-ups intending to enter this space.
- (xxi) A Centre of Excellence (CoE) on FinTech at STPI Chennai has been set up to provide infrastructure, resources, coaching/ mentorship, technology support and funding to emerging start-ups in the FinTech sector through a collaborative approach including M/s intellect design as industrial partner, NPCI, UIDAI and Partner Banks as Yes Bank, PayPal, HSBC, IIT Chennai as knowledge partner and TiE Chennai to provide industrial connect.
- (xxii) An IoT Open Lab - a Centre of Excellence (CoE) for Internet of Things in partnership with Arrow Electronics at STPI Bangalore has been set up to provide academic and business mentoring of the startups in the IoT emerging technology area for developing products and/ or services around IoT.
- (xxiii) An ESDM Incubation Centre has been set up at Bhubaneswar with the objective of creating a holistic ecosystem to promote ESDM innovation, R&D and create Indian intellectual property in the eastern region of the country.

Annexure-II

S.No	Companies
1.	Adit Infratel Pvt. Ltd.
2.	Alcon Electronics Pvt. Ltd.
3.	Amara Raja Electronics Ltd.
4.	Amphenol Interconnect India Pvt. Ltd.
5.	Andrew Telecommunications India Pvt. Ltd.
6.	Ascent Circuits Pvt. Ltd.
7.	Asti Electronics India Pvt. Ltd.
8.	AT&S India Pvt. Ltd.
9.	Aurangabad Electricals Ltd.
10.	Axiom Energy conversion Ltd.
11.	Bhagwati Products Ltd.
12.	Bharat Electronics Ltd.
13.	Bharat Heavy Electricals Ltd.
14.	Birla Furukawa Fibre Optics Pvt. Ltd.
15.	Borgwarner Cooling systems India Pvt.Ltd.
16.	Bosch Automotive Electronics Pvt Ltd.
17.	Calsonic Kansei Motherson Auto Products Ltd.
18.	Celkon Impex Pvt Ltd.
19.	Centum Electronics Ltd.
20.	Centum Rakon India Pvt. Ltd
21.	Century LED Ltd.
22.	Circuit Systems Pvt Ltd.
23.	Colorplast Systems Pvt. Ltd.
24.	Continental Automotive Brakes Systems India Pvt. Ltd.
25.	Daikin Air-conditioning India Pvt. Ltd.
26.	Deki Electronics Ltd.
27.	Delphi Connection Systems India Pvt. Ltd.
28.	Desai Electronics Pvt. Ltd.
29.	Dhruv Industries Ltd.
30.	Dixon Technologies India Pvt. Ltd.
31.	East India Technologies Pvt Ltd
32.	Elcom International(P) Ltd.
33.	Elin Electronics Ltd.
34.	EPCOS India Pvt. Ltd.
35.	Epitome Components Ltd.
36.	Exicom Tele Systems Ltd.
37.	FCI OEN Connectors Ltd.
38.	FIEM Industries Ltd.
39.	Fine Line Circuits Ltd.
40.	Flextronics Technologies India Pvt. Ltd.
41.	Frog Cellsat Ltd.
42.	Fujitsu Ten Minda India Pvt. Ltd.
43.	GE BE Pvt Ltd
44.	Genus Electrotech Ltd.
45.	Genus Innovation Ltd.
46.	Genus Power Infrastructures Ltd.
47.	Giesecke and Deverient India Pvt. Ltd.
48.	Globe Capacitors Ltd.
49.	Haier appliances India Pvt. Ltd.
50.	Harman International India Pvt. Ltd.
51.	Havells India Ltd.
52.	Hero Motocorp Magneti Marelli Auto Ltd.
53.	Hical Technologies Private Ltd.
54.	Himachal Futuristic Communications Ltd

55.	HiQ Electronics Pvt Ltd.
56.	Huber Suhner Electronics Pvt Ltd
57.	IFB Industries Ltd.
58.	IND Sphinx Precision Ltd
59.	India Circuits Ltd.
60.	Infopower Technologies Ltd.
61.	Inteva Products India Automotive Pvt. Ltd.
62.	Jabil Circuits India Pvt Ltd
63.	K Lite Industries
64.	Kaynes Technology India Pvt. Ltd.
65.	Keltron Component Complex Ltd.
66.	Lava International Limited
67.	Laxmi Remote India Pvt. Ltd
68.	LG Electronics India Pvt. Ltd.
69.	Liebherr Appliances India Pvt. Ltd.
70.	Magneti Marelli Powertrain India Pvt. Ltd.
71.	Magneti Marelli UM Electronic Systems Pvt. Ltd.
72.	Mando Automotive India Private Limited
73.	Mando Hella Electronics Automotive India Pvt. Ltd.
74.	Megatherm Induction Pvt Ltd.
75.	Micropack Limited
76.	Minda Kateloc Electronics Services Pvt. Ltd.
77.	Minda Onkyo India Pvt Ltd
78.	Mindarika Private Limited
79.	Mitsubishi Electric Automotive India Pvt Ltd.
80.	Modern Communications and Broadcast Systems Pvt Ltd
81.	Motherson Sumi Systems Ltd.
82.	Mundra Solar PV Ltd.
83.	Napino Auto And Electronics Ltd.
84.	Nash Industries India Pvt. Ltd.
85.	Nidec India Pvt. Ltd.
86.	Novasys Greenergy Pvt. Ltd.
87.	O/E/N India Ltd.
88.	Om Optel Industries Pvt. Ltd.
89.	OPPO Mobiles India Pvt. Ltd.
90.	Orient Cables India Pvt. Ltd.
91.	Pacific Cyber Technology Pvt. Ltd.
92.	Padget Electronics Pvt Ltd
93.	Panacea Medical Technologies Pvt Ltd
94.	Panasonic India Pvt. Ltd.
95.	Perfect ID India Pvt. Ltd.
96.	Perto India Private Ltd.
97.	Positive Packaging Industries Ltd.
98.	Premier Solar Systems Pvt Ltd
99.	Renu Electronics Pvt. Ltd.
100.	Robonik India Pvt. Ltd
101.	Saatvik Green Energy Pvt. Ltd.
102.	Sahajanand Laser Technology Ltd
103.	Sahasra Electronics Pvt Ltd.
104.	Salcomp Manufacturing India Pvt. Ltd.
105.	Samsung India Electronics Pvt. Ltd.
106.	Sandhar Technologies Ltd.
107.	Schneider Electric IT Business India Pvt. Ltd.
108.	Secure Meters Limited
109.	Sedemac Mechatronics Pvt. Ltd.
110.	SFO Technologies Pvt. Ltd.
111.	SGS Teknics Manufacturing Pvt. Ltd

112.	Shogini Technoarts Pvt Ltd
113.	Siemens Ltd.
114.	Signum Electrowave
115.	Smart Card It Solutions Ltd
116.	Star Engineers India Pvt. Ltd.
117.	Sterlite Technologies Ltd.
118.	Super Electro Films Ltd.
119.	Surbhi Satcom Pvt. Ltd.
120.	Syndicate Printers Ltd
121.	Syscom Corp.(P) Ltd
122.	TE Connectivity India Pvt Ltd
123.	Tejas Networks Ltd.
124.	TG Advait India Pvt. Ltd.
125.	UKB Eletronics Pvt Ltd
126.	Velankani India Pvt. Ltd.
127.	Vihaan Networks Limited (Shyam VNL)
128.	Vikram Solar Pvt. Ltd.
129.	Vindhya Telelinks Ltd.
130.	Vishakha Renewables Pvt Ltd.
131.	Vishakha Solar Films(P) Ltd
132.	Vishay Precesion Transducers India Pvt. Ltd.
133.	VSUN Mobile Pvt. Ltd.
134.	WABCO India Ltd.
135.	Wipro GE Heathcare Pvt. Ltd.
136.	Yamaha Music India Pvt. Ltd.
