

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 178
TO BE ANSWERED ON 07.12.2022

PROMOTION OF SPECS

178. SHRI RAJU BISTA:

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

- (a) the details of the progress on the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductor (SPECS);
- (b) the details of the projects applied for and sanctioned so far under this scheme;
- (c) the steps taken by the Government to attract further investment in the Electronic Components and semiconductors sector;
- (d) whether the Government has set a deadline by which the projects sanctioned under SPECS will start production; and
- (e) if so, the details thereof and if not, the reasons therefor?

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 Electronic System Design and Manufacturing hub in Global Value chain for Electronics as part of its AtmaNirbhar Bharat Economic policies.

As part of this, Government is broadening and deepening the electronics manufacturing ecosystem in the country. 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 November 30, 2022, thirty two (32) applications with total project cost of Rs.11,130 crore. The total employment generation potential of the approved applications is 32,457 (Thirty two thousand Four hundred and Fifty Seven). The details are attached at Annexure.

(c): Government of India has taken strategic steps and initiatives to broaden and deepen the country's electronic manufacturing ecosystem. At this juncture, National Policy on Electronics 2019 (NPE 2019) envisions positioning 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. Apart from SPECS, Government of India has launched many flagship schemes, the details of which are given below:

(i) Production Linked Incentive (PLI) Scheme for Large Scale Electronics Manufacturing was notified on 1st April, 2020. The Scheme extends an incentive of 6%

to 4% on incremental sales (over base year) of goods under target segments that are manufactured in India to eligible companies, for a period of five (5) years.

Sixteen (16) companies have been approved under the first round of PLI Scheme for Large Scale Electronics Manufacturing.

After the success of the First Round of PLI Scheme in attracting investments in mobile phone and electronic components manufacturing, Second Round of the PLI Scheme for Large Scale Electronics Manufacturing was launched on 11.03.2021 for incentivising Electronic Components. Under the Second Round, incentives of 5% to 3% shall be extended on incremental sales (over base year i.e., FY 2019-20) of goods manufactured in India and covered under the target segment, to eligible companies, for a period of four (4) years. Sixteen (16) companies have been approved under the second round of PLI Scheme for Large Scale Electronics Manufacturing.

(ii) In furtherance of the vision of AatmaNirbhar Bharat, the Cabinet approved the comprehensive program for the development of a sustainable semiconductor and display ecosystem in the country with an outlay of ₹ 76,000 crore (>10 billion USD). The program will usher in a new era in electronics manufacturing by providing a globally competitive incentive package to companies in semiconductors and display manufacturing as well as design. Under the aforesaid program, following four schemes have been introduced:

- (i) Modified Scheme for setting up of Semiconductor Fabs in India - The Scheme extends a fiscal support of 50% of the project cost for setting up of Silicon CMOS based Semiconductor Fab in India.
- (ii) Modified Scheme for setting up of Display Fabs in India- Scheme extends fiscal support of up to 50% of Project Cost for setting up of Display Fabs in India.
- (iii) Modified Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab / Discrete Semiconductors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India – The scheme extends a fiscal support of 50% of the Capital Expenditure
- (iv) Design Linked Incentive (DLI) Scheme - The scheme provides “Product Design Linked Incentive” of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and “Deployment Linked Incentive” of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application.

(d) and (e): As laid down in the scheme guidelines the incentive will be available to the approved projects under the scheme for investment made within 5 years from the date of acknowledgement of the application subject to capital expenditure meeting the minimum threshold value and commencement of commercial production, and compliance to other terms and conditions stipulated in Scheme / Guidelines / Approval Letter.

Sl. No.	NAME	Segment	State
1	Tata Electronics Private Limited	Electronic Component	Tamil Nadu
2	Samsung Display Noida Private Limited	Electronic Component	Uttar Pradesh
3	Salcomp Technologies India Private Limited-II	Electronic Component	Tamil Nadu
4	Salcomp Technologies India Private Limited-I	Electronic Component	Tamil Nadu
5	Te Connectivity India Private Limited	Electronic Component	Maharashtra
6	Sahasra Semiconductors Private Limited	Electronic Component	Rajasthan
7	Ifb Industries Ltd.	Electronic Component	Karnataka
8	Idemia Syscom India Private Limited	Electronic Component	Uttar Pradesh
9	Molex (India) Private Limited	Electronic Component	Karnataka
10	Circuit Systems India Limited	Electronic Component	Gujarat
11	Ind Sphinx Precision Ltd	Electronic Component	Himachal Pradesh
12	Cosmo Ferrites Ltd	Electronic Component	Himachal Pradesh
13	Fci Oen Connectors Ltd	Electronic Component	Kerala
14	Continental Device India Pvt Limited	Electronic Component	Punjab
15	Miyama Electric India Private Limited	Electronic Component	Andhra Pradesh
16	Deki Electronics Ltd	Electronic Component	Uttar Pradesh
17	Signum Electro Private Limited	Electronic Component	Himachal Pradesh
18	Tibrewala Electronics Limited	Electronic Component	Telangana
19	Epitome Components Private Limited	Electronic Component	Maharashtra
20	Picl (India) Private Limited	Electronic Component	Haryana
21	Alcon Electronics Pvt. Ltd.	Electronic Component	Maharashtra
22	Tara Relays Private Limited	Electronic Component	Maharashtra
23	Indtech Capacitors India	Electronic Component	Uttar Pradesh
24	Hical Technologies Private Limited	Electronic Component	Karnataka
25	Panacea Medical Technologies Pvt Ltd	Electronic Component	Karnataka
26	Protectron Electromech Private Limited	Electronic Component	Karnataka
27	Nidec India Private Limited	Electronic Component	Rajasthan
28	Hical Technologies Private Limited	Electronic Component	Karnataka

29	Shivalik Bimetal Controls Ltd.	Electronic Component	Himachal Pradesh
30	Meena Circuits Private Limited	Electronic Component	Gujarat
31	Atomberg Technologies Private Limited	Electronic Component	Maharashtra
32	Globe Capacitors Private limited	Electronic Component	Haryana
