

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1190
TO BE ANSWERED ON: 14.12.2022

ESDM

**1190. DR. KRISHNA PAL SINGH YADAV,
DR. SUJAY RADHAKRISHNA VIKHE PATIL,
DR. SHRIKANT EKNATH SHINDE,
DR. HEENA GAVIT,
PROF. RITA BAHUGUNA JOSHI,
SHRI UNMESH BHAIYYASAHEB PATIL:**

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

- (a) whether the M-SIPS scheme will promote the manufacturing of Electronic Manufacturing Companies in the country making it a global hub for Electronics System Design and Manufacturing (ESDM) while becoming the hub for electronic exports and if so, the details thereof;
- (b) whether the incentives proposed by the Government would also include other subsidies for setting up of manufacturing units;
- (c) if so, the details thereof along with the probable reliefs thereon;
- (d) the extent to which the scheme is likely to benefit the economy of the country; and
- (e) the details of the investments and employment opportunities likely to be increased in the country after the implementation of the M-SIPS scheme in the IT sector in the country?

ANSWER

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

(a): Yes Sir. The Modified Special Incentive Package Scheme (M-SIPS) aimed to promote electronics manufacturing in India by attracting domestic and global investments. In M-SIPS, 315 applications with proposed investment of INR 86,849 crore and incentives amounting INR 9,566 crore have been approved. The approved applicants under MSIPS have reported total sales (domestic and exports) of INR 6,63,274 crore which includes export of INR 1,06,740 crore.

(b) and (c): Under this Scheme, Capex subsidy of 25% (for units located in Non SEZ Area) / 20% (for units located in SEZ Area) is provided on reimbursement basis. As per MSIPS Notification dated 27 July, 2012, the incentives, if any, offered by the State Government or any of its agencies or local bodies shall be over and above the incentive amount eligible under M-SIPS.

(d): Out of 315 approved applicants, 271 applicants have reported investment of INR 33,506 crore and 242 applicants have started production. Further, the approved applicants under MSIPS have reported that they have paid INR 85,697 crore as taxes & duties to the Government.

(e): Out of 315 approved applicants under MSIPS, 271 applicants have reported investment of INR 33,506 crore and employment generation of 3,45,571 (direct and indirect employment).
