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GOVERNMENT OF INDIA
Department of Electronics
and Information Technology (DeitY)
Ministry of Communications
& Information Technology

ELECTRONICS e-NEWSLETTER

.... For Electronics System Design & Manufacturing (ESDM) Sector

Year 2 | Vol. 12: Oct 2012

Anniversary Issue | October 2012: Electronics e-Newsletter completes one year

From Chief Editor's Desk

Provisions of Draft National Policy on Electronics: Road Ahead



Dear Readers

It gives me immense pleasure to say that the Electronics e-Newsletter is completing one year this month. It was in November 2011 that the first issue of the newsletter had come out. The newsletter has had twelve issues without a break and the mailing list of the newsletter has increased. The newsletter has also seen much more activity in recent times and the issue size has increased from four pages to six and now eight pages. It is also proposed to bring out a html format of the newsletter for easy reading on email. I would, on behalf of the editorial board, like to thank the readers whose responses and feedback has been important in keeping the newsletter going. We continue to look forward to your continued guidance and advice to continuously increase the value of the newsletter for the readers. I would also like to thank my colleagues on the editorial board for their efforts and support.

The first anniversary is also important because it coincides with the approval of the first ever National Policy on Electronics. It is a interesting and significant that the newsletter was started when the draft National Policy on Electronics (NPE) was released and the first anniversary marks the approval of the Union Cabinet a couple of days before writing this editorial.

We think it appropriate to review how the journey has been between the release of the draft NPE and its approval, over the last year. The draft NPE was released on October 3, 2011. It envisioned creating a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market. More specifically, the policy objectives includes, achieving a turnover of US\$ 400 Billion by 2020, the Chip design/ embedded software industry to US\$ 55 Billion and export of US\$ 80 Billion. An outline of progress made on major initiatives is as under:

1. **Renaming of the Department:** The department of Information Technology was renamed as the Department of Electronics and IT in February 2012, providing a clear signal to the renewed thrust and focus to promotion of ESDM in the country.
2. **Fabs:** An Empowered Committee was set up to identify the technology and investors for setting up the fabs and recommending nature and quantum of incentive to be provided by the Government. Global responses were sought in the form of an Expression of Interest (EOI) from companies to setup fabs. The good news is that the efforts have yielded results and responses received are being evaluated by the Government. The Empowered Committee is expected to make its recommendations regarding the said project shortly. A hands-on skill development programme for semiconductor wafer fab manufacturing has been started at IIT Bombay in association with Applied Materials.
3. **Modified-SIPS:** The Government has notified the Modified Special Incentive Package Scheme (M-SIPS) to provide a special incentive package to promote large-scale manufacturing in the ESDM sector. The scheme provides subsidy for investments in capital expenditure, 20% for investments in SEZs and 25% in non-SEZs. The scheme is open for three years from notification and incentives are available for investments made in a project within a period of 10 years from the date of approval for manufacturing 29 categories of electronic products and product components, across the value chain starting from raw materials to assembly, testing, and packaging. Guidelines for Modified SIPS are expected to be released in October 2012 and applications will be received in November 2012. Meanwhile enquiries continue to pour in. **cont. on page 2**

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4. **Electronic Manufacturing Clusters (EMC):** The Government has notified the EMC scheme to offer financial support for the development of Electronics Manufacturing Clusters (EMCs). Guidelines are expected by November 2012. The scheme provides for support for setting up of both Greenfield and Brownfield EMCs. For Greenfield EMCs the assistance will be upto 50% of the project cost subject to a ceiling of Rs. 50 Crore for every 100 acres of land. For Brownfield EMCs the assistance will be restricted to 75% of the project cost subject to a ceiling of Rs. 50 Crore. Several State Governments have proactively come forward and suggested lands for setting up EMCs. These include lands in Hyderabad, Visakhapatnam (in Andhra Pradesh), Bengaluru (in Karnataka), near Chandigarh (in Punjab), Bhiwadi and Jaipur (in Rajasthan), Kochi (in Kerala). This is not an exhaustive list. Several other opportunities also exist in this regard. Several unutilized SEZ owners have enquired about the possibility of converting these SEZs as EMCs.
5. **Preference to Domestically Manufactured Electronic Goods:** A policy for providing preference to domestically manufactured electronic goods has been notified by the Government. The policy provides preference in procurement of notified electronic goods in government procurement and for those electronic goods which have security implications. Guidelines are being formulated for operationalization of the said policy and likely to be issued in a couple of weeks. Meanwhile Department of Telecommunication has issued a notification under the said policy for providing preference to domestically manufactured telecom products in all Government procurement. All Ministries/Departments of Government of India are required under the policy to provide necessary preference as per the said notification while procuring telecom products.
6. **Standards:** The Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012, has been notified on October 3, 2012. The order brings in force a mandatory regime of registration of identified 15 electronic product/product categories wherein these are required to meet specified safety standards. A PMU has been approved in the Department of Electronics and IT to support implementation of the said order by the Department. The order comes into effect from April 3, 2012, providing industry a lead time of six months to get necessary safety certifications.
7. **R&D and Product Development:** CAREL, a high level committee headed jointly by Prof Chidambaram, Principal Scientific Adviser to Government and co-chaired by Shri Ajai Chowdhry, founder HCL Infosystems has made recommendations regarding development of six major electronic products. These include set top boxes, tablets, smart phones smart cards, smart energy meters and micro ATMs. Efforts to develop these products in consultation with industry have been initiated. An EOI is expected to be brought out shortly inviting industry to develop the Conditional Access System with grant from Government of India. A Working Group under the chairmanship of Shri Madhavan Nambiar, former Secretary, Civil Aviation, has been set up in DeitY to consider specific R&D and product development proposals which will help the manufacturing and IP development for electronics in the country.
8. **Electronic Development Fund (EDF):** A Detailed Project Report (DPR) for setting up a Rs 10,000 Crore EDF has been prepared in detailed consultation with the industry and is being examined by the Government. Meanwhile, specific proposals received for setting up of Angel/Seed/Venture Funds from potential venture capitalists are being considered for support. It is expected that Electronics specific venture capital funds should be available in the next few months.
9. **Human Resource Development:** Electronics Sector Skills Council has been constituted and started preliminary activities. Telecom Sector Skills Council has been approved and is under constitution. These Sector Skills Councils are expected to steer the industry specific skill development in the sector. NIELIT (formerly DOEACC) is in the process of developing certification programme similar to its very popular 'O', 'A', 'B', and 'C' certification programme in software and software services. This would help drive skill development in electronics production technologies through its 15 Regional Centres and hundreds of franchises. Department of Electronics and IT (DeitY) has approved a five year Rs 45 Crore skill development programme at NIELIT Aurangabad, NIELIT Chennai and CDAC Hyderabad for Electronic production and design technologies. This programme is expected to design new courses in the sector. New NIELIT Centre at Patna has been required to ensure that at least 50% of its skilling targets should be devoted to Electronics. A Scheme for development of 3000 PhDs in the ESDM sector is under formulation of the DeitY. This scheme will provides financial support to both full-time PhD fellows as well as to working professionals pursuing PhD in the sector. It is expected to help achieve an annual admissions of 1500 PhDs by the end of XII. Plan 25 Electronics and ICT Academies, largely coinciding with the States, are also being proposed. These academies are expected to act as institutions for training faculty of tier II and tier III Colleges for latest knowledge and technologies in the sector.
10. **State Level Initiatives:** Several States have taken a jump start in promoting the ESDM sector. The states of Andhra Pradesh, Karnataka and Madhya Pradesh have come out for State specific policies and incentives to top up the incentives been offered by the Central Government. Several other States are in the process of developing their policies.

Let me say, this is a just the beginning. This is the awakening of the ESDM in the country. The future is beckoning the country to take its rightful position and we need to realize the potential and fulfill the expectation. Best wishes

Dr. Ajay Kumar

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New Scheme to support additional PhDs in the ESDM sector proposed

Innovation and IP generation are essential ingredients for a competitive Electronics industry where new product models and features is a norm. The Draft National Policy on Electronics (NPE 2011) gives special thrust on creating an ecosystem of R&D and innovation. It also underlines the prime role of the industry in creating the said ecosystem. Towards this goal, one of the strategies proposed in the draft NPE 2011 is significantly increasing the number of PhDs in the country. The draft NPE 2011, interalia, sets an objective of creating 2500 PhDs in Electronics System Design and Manufacturing (ESDM) and related fields by 2020. Considering that the present is less than 50 every year, the objective is ambitious. The Department of Electronics and IT, Government of India is in process of developing a proposal for incentivizing the stakeholders, the academic institutions, the faculty members and the students to increasingly choose PhD in ESDM and related fields. The proposed outlay of the scheme is Rs 866 Crores for the XII Plan period (2012-2017)

According to the proposal under consideration, the scheme aims at generating 3000 PhDs each in the ESDM and IT/ITES sectors over a period of 5 years through such fellowship support. This would include 1000 PhDs each in the ESDM and IT/ITES sectors for full-time PhD support and 2000 PhDs each in the ESDM and IT/ITES sectors for working professionals and non PhD faculty members. The proposal envisages active participation of the industry. For every five candidates supported under the scheme, one candidate will need to be supported by the industry. This is expected to create alignment in research with industry needs. A platform involving DeitY, academia and industry will also be set up in the DeitY to facilitate the meeting of industry needs and potential research interests of PhD candidates. The main highlights of the proposal are as follows:

1. The fellowship to full time PhD candidates is available for five years, @ Rs 22,000 per month for the first two years and Rs 25,000 for the next three years. Further, an increment of 15% is provided in the fellowship every two years. In addition, HRA is also provided for candidates who are not provided accommodation. Part-time professionals pursuing PhD will be provided a lumpsum grant of Rs 2.5 Lakhs on successful completion of the scheme.
2. Institution grant of Rs 5 lakh per PhD candidate is provided to the institution/college where the student pursues PhD. This is expected to help the institution develop infrastructure for the purposes of PhD studies in the institution. In addition, institutional overhead @ Rs 25,000 per PhD candidate per year is provided.
3. Support to attend two conferences @ Rs 50,000 per conference per candidate.
4. The support under the scheme is available for additional PhD candidates, over and above existing levels of enrolment.
5. An interesting feature of the proposed scheme is the Young Faculty Research Fellowship. A Young Research Fellow will receive Rs 5 lakh annual research grant for five years and Rs 20,000 per month over and above his salary for five years. An Institution would be eligible for one Young Faculty Research Fellowship grant for every 5 full time PhD Candidate supported under this scheme in the institution in a given year. The Objective of this Young Faculty Research Fellowship would be to encourage and recognize the eligible Young Faculty involved in research and technology development in the areas of ESDM and IT/ITES. 400 YFR Fellowships are proposed to be provided.
6. All PhD granting academic/research institutions are eligible for support as per norms specified under the scheme.

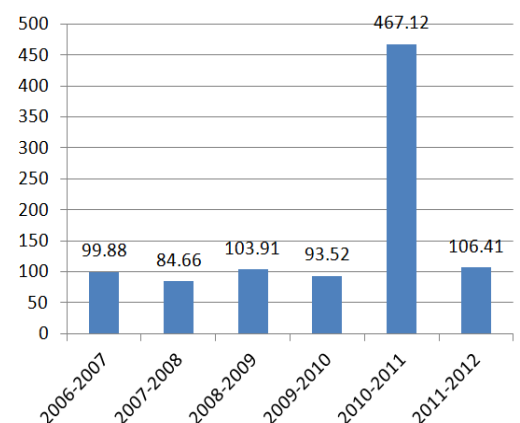
For more details, please contact Shri V.M. Gupta, Scientist D, DeitY (Email: vgupta@mit.gov.in)

Indian Exports of PRINTED CIRCUITS (HS Code 8534)

Top 5 destinations India's Export of PRINTED CIRCUITS

| 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
|-----------|-----------|-----------|-----------|-----------|-----------|
| U S A | GERMANY | U S A | U S A | AUSTRIA | U S A |
| GERMANY | U S A | GERMANY | AUSTRIA | U S A | AUSTRIA |
| UAE | ITALY | SPAIN | CHINA | GERMANY | GERMANY |
| AUSTRALIA | U K | ITALY | GERMANY | SPAIN | SPAIN |
| ITALY | SPAIN | HUNGARY | SPAIN | SWEDEN | CHINA |

India's Export (Value in US\$ Million)



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State Level Workshop for UP organized at Noida



Secretary, DeitY speaking at the event



Delegates at the Dais



Secretary, DeitY receiving flowers

A State Level Workshop for UP was organized by ELCINA on 9th Oct, 2012 at NOIDA on “Opportunities for ESDM Sector in Uttar Pradesh and Overcoming Challenges through a Supportive Eco-System”. ELCINA was supported by CEAMA, MAIT, ISA and ICA for the workshop.

Secretary DeitY, Shri J Satyanarayana was the Chief Guest. Shri Satyanarayana, Secretary DeitY reminded the industry that this is the time to action. The Secretary exhorted the industry to act now as we have discussed the opportunities and challenges for long and now with the policies in place, it was the right time to grab the opportunity offered by the electronics market.

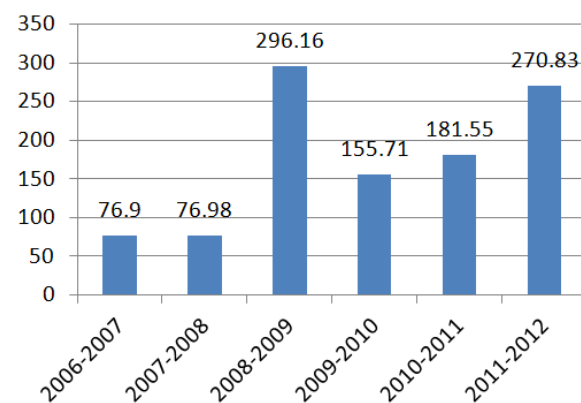
The workshop was also supported by the Government of UP. Shri Jiwesh Nandan, Principal Secretary Electronics & IT spoke about the keen interest of the State Govt. to promote the electronic manufacturing industry in the state and invited the industry to come forward for the desired support from the State. He also spoke about the state’s willingness to provide the special benefits for the hardware manufacturing sector. He also informed that the U.P. Govt. had allocated 150 acres of land near the Lucknow city for the establishment of an Electronics/IT Cluster. He expressed his readiness to meet the industry members for any support required at his level to facilitate electronic and IT industry. Shri Shailendra Kumar Singh, Chief Manager, Udyog Bandhu made a detailed presentation on the state Government’s incentives and policies for various segments of industry to promote growth of manufacturing in the state of U.P. He also emphasized the specific incentive policy for electronics and IT sector that shall be crafted in the very near future.

Shri PS Narotra, Sr. Director, DeitY, Shri S K Singh, Chief Manager, Udyog Bandhu, Shri Satish Kaura, CMD, Samtel Group, Shri Harsh Chitale, CEO HCL Infosystems Ltd., Shri Seshadiri Bashyam, Consultant DeitY, Shri R K Gupta, Manager Systems, UPDESCO, Shri Vinod Sharma, Past President ELCINA & MD, Deki Electronics Ltd., Shri Ashwini K Agarwal, Director, Applied Materials, Shri Atul Lall, CEO, Dixon Technologies, Shri Arun Gupta, MD, NTL Electronics India Ltd., Shri Deepak Bhardwaj, Director- Strategy & CAs, Texas Instruments and Shri Pankaj Mohindroo, President, ICA, also participated at the event.

Indian Imports of PRINTED CIRCUITS (HS Code 8534)

| Top 5 destinations India’s Import of PRINTED CIRCUITS | | | | | |
|---|-----------|-------------|-------------|-----------|-----------|
| 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 |
| CHINA | CHINA | CHINA | CHINA | CHINA | CHINA |
| Hong Kong | Hong Kong | TAIWAN | TAIWAN | TAIWAN | TAIWAN |
| TAIWAN | TAIWAN | Hong Kong | Hong Kong | Hong Kong | Hong Kong |
| JAPAN | JAPAN | PHILIPPINES | PHILIPPINES | KOREA | U S A |
| U S A | KOREA | THAILAND | SINGAPORE | U S A | JAPAN |

Indian Imports (Value in US\$ Million)



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Madhya Pradesh announces Policy to promote Electronics Hardware sector

Madhya Pradesh has announced an investment policy on Sept 6, 2012 that aims to develop Electronics Hardware and the IT/ITES sectors in the State. Electronics Hardware Manufacturing will qualify for all benefits as available to IT industry as per the said policy. Some of the incentives available to Electronics system design and Manufacturing units in the State will include:

- 1) Single Window Clearance System: Department of Information Technology, Government of Madhya Pradesh would work for attracting IT industries for investment in the State and MP Trade & Investment Facilitation Corporation (MP-TRIFAC) would act as a Single Window for undertaking the formalities related to Project Clearance & Facilitation mechanism.
- 2) Applicability of Industrial Promotion Policy: Relevant incentives provided under the Madhya Pradesh Industrial Promotion Policy shall be applicable to the IT Industries established on Government allotted land / Private Land with a provision of single window processing/clearances for all government formalities.
- 3) Land Use Exemptions: Exemptions in the existing FAR for IT investment area can be considered on a case to case basis, subject to the relevant provisions of the respective City Development Plan. A minimum 60% of the total of the IT investment area will be used for IT operations and the balance 40% can be used for ancillary use and support services. However SEZ rules shall be applicable for lands allotted for SEZ.
- 4) Incentive Related to Power: No prior permission will be required for installation of captive power plant. However, the relevant provisions of the Electricity Act 2003 will be applicable in this regard. In MP, uninterrupted power supply is being supplied to the units in the industrial area. Further, the IT Industry shall be provided power through a dedicated feeder as per the terms & conditions on payment of requisite charges.
- 5) Rebate in Cost of Land is being included as one of the major incentives for attracting investments in the state.
- 6) The relevant provisions of the Industrial Promotion Policy would be applicable in respect of Interest Subsidy.
- 7) The relevant provisions of the Industrial Promotion Policy would be applicable with respect to Subsidy on Capital Investment.
- 8) For providing skill gap trainings to the Engineers/ IT/ ITES Professionals that are domicile of Madhya Pradesh, One time reimbursement will be available to the company, upto 50% of the cost incurred subject to maximum limit of Rs. 10,000 (Rs. Ten thousand) per employee, who are trained by the company within first Two years of commencement of operations.
- 9) Various incentive related to statutory regulations under the relevant Acts, like Income Tax, Working Hours will be applicable to the units.
- 10) Electronics Hardware Manufacturing (EHM) units shall be exempted for Payment of Entry Tax for a period of 5 years.
- 11) All existing IT units which shall undergo expansion / modernization of their capacity will get all the above facilities on their incremental production as "new IT units" subject to certification by a designated agency. In order to qualify for this incentive the additional Capital investment in expansion should be minimum 50% of the existing capital investment subject to a minimum of Rs. 25 Lakhs.

Full details of the policy are available at: <http://www.mapit.gov.in/Investment%20Policy%202012%20%28English%29.pdf>

Operationalising Electronics Sector Skill Council

A meeting was held on 18.09.2012 under Chairmanship of Dr. Ajay Kumar, Joint Secretary, DeitY, New Delhi wherein interalia the progress of setting up and operationalisation of the Sector Skill Council in Electronics System Design and Manufacturing (ESDM) sector were reviewed.

Shri Rajoo Goel, Secretary General, ELCINA made a presentation highlighting the progress on the subject. He mentioned that a name as 'Electronics Sector Skill Council of India' (ESSCI) was approved by the Registrar of Companies and domain name has also been registered as www.essc-india.org. The first tranche of equity contribution had been received from ELCINA, ICSA, and MAIT. He mentioned that industry verticals of focus would be in consumer electronics, IT & OA, solar photovoltaic, strategic electronics, telecom components, other verticals like industrial electronics, semiconductor design including chip design and embedded software. He indicated that ESSCI would undertake pilot projects based on the study in the initial period of one year or so, for the occupations such as Production, service support and semiconductor design.

The Key areas to be covered are development of Labour Management Information Systems (LMIS), curriculum, accreditation process and selection of delivery partners. He stated that around 5000 workforce would be imparted skills and certification during the pilot phase and under long term plan the implanted skills would reach **contd. On page 6**

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New Scheme for Electronics and ICT Academies in the State proposed

The Department of Electronics and IT has proposed setting up of 'Electronics and ICT Academies' in the States, in collaboration with IITs, IIITs, NITs, etc., or other similar academic institutions. These Academies are proposed to be set up in PPP mode. A Special Purpose Vehicle (SPV) will be constituted in each State/UT for the purpose. The proposal builds up on pilot projects earlier implemented in State of Tamilnadu and Kerala for setting up of ICT Academies which were approved by the then Department of Information Technology. However, given the renewed thrust to Electronics, the DeitY has proposed that while rolling out these academies across the country, these should focus on Electronics system Design and Manufacturing sectors also.

According to the draft scheme under consideration, Electronics and ICT Academies will be set up with the following features:

1. To aim to provide specialized training to the faculty of Engineering Arts, Commerce and Science colleges, Polytechnics etc., by developing state-of-the-art facilities.
2. To focus on improving the quality of faculty of institutes and colleges in the respective States/UTs which would result in the improvement of the quality of students to make them industry ready and employable in ESDM and ICT industry.
3. To offer identified training programmes to faculty members on contemporary industry related subject areas where there is industry demand but shortage of skills.
4. Each Academy depending upon the size of the State to target a capability of training up to 8000 faculty per year. (Target for 4 yrs. - Big: 32,000; Medium: 16,000, Small: 6,400)

All the states and UTs are categorized into 3 broad categories based on parameters like size, number of colleges and faculty. The smaller UTs would be clubbed with neighboring States and project proposals would be invited from individual States/UTs in collaboration with IITs/IIIT/NITs, etc. The cost of setting up an Electronics and ICT Academy in various categories of state(s)/UT(s) is estimated as under:

| | |
|------------|----------------|
| Category A | - Rs. 50 Crore |
| Category B | - Rs. 25 Crore |
| Category C | - Rs. 10 Crore |

The proposed assistance from the Central Govt. is proposed as 75-90% over a period of 4 years with land and building to be contributed by the respective IITs/IIITs/NITs, etc. As Electronics and ICT Industry is the main beneficiaries of better quality and more employable human resource, comments and suggestion on the proposed scheme may be sent to Shri Sanjay Vyas, Scientist-D, DeitY (Email: s.vyas@nic.in).

Operationalising Electronics

..... contd. From page 5

..... around 6.5 lakh persons yearly by 2020. On a cumulative basis around 2 million workforce is proposed to be trained and certified by 2020. A design of logo for ESSCI was also presented for receiving views from the participants. It was agreed that the formal commencement of activities of ESSC will be by November 2012.

Dr. Ajay Kumar emphasized on the need to expedite the process and make an Action Plan for development of requisite human resources for the ESDM sector could be finalized and put into operationalization.

Dr B.K Murthy, Sr. Director, DeitY, Ms. Ambika Khurana, Head, Corporate Planning, HCL, Dr. Sandhaya Chintala, Executive Director, IT-ITES SSC NASSCOM, Dr. Ashwini K. Sharma, Managing Director, NIELIT, Ms. Ranjani Vaidyanathan, Principal, Standards QA, NSDC, Shri Pradeep Dharane, Managing Director, Applied Micro, Shri V. Muralidharan, Director, CDAC, Hyderabad, Dr. M.P. Pillai, Director-in-Charge, NIELIT, Cehnnai, Shri Arun Goyal, Advisor-Regulatory Affairs, Indian Cellular Association, Shri Sabyasachi Patra, Executive Director, MAIT, Shri Rajoo Goel, Secretary General, ELCINA, Dr. R.C Chopra, Sr. Advisor, CII, Shri Rajiv Jain, Associate Director-Govt. Affairs, India Semiconductor Association, Shri Ashwini Kumar, Director, Applied Materials, Cmde. J. Jena, Director, TCOE India, Shri Rohit Mehra, Project Coordinator, ESSCI, Shri Suresh Khanna, Secretary General, CEAMA also participated at the meeting.

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Preparing to Implement Mandatory Registration of Electronics Goods for Safety Standards

A meeting was held at DeitY on 9.10.2012 under the Chairmanship of Dr. Ajay Kumar, Joint Secretary, DeitY to discuss the implementation of the "Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012". The meeting was attended by the representatives from Bureau of Industrial Standards (BIS), DGFT, Deptt. of Commerce, STQC Directorate, representatives of Industry & Industry Associations and Conformity Assessment Bodies.

Shri Arun Sachdeva, Senior Director, DeitY briefed the participants that following steps have been taken by DeitY after the notification of the Order and solicited the support of stakeholders to make this initiative a success. The Department of Commerce was requested to expedite issuance of necessary orders to implement the notification with respect to importers. STQC Directorate was entrusted with the responsibility to organise Workshops / Awareness programmes across the country. It was also informed that a Technical Advisory Committee had been constituted under the chairmanship of Shri A.K. Chawla, Director, DeitY to provide technical recommendations on technical issues arising out of implementation. The industry and others interested may like to raise specific issues relating to series formation and other issues to this Committee. The BIS was also requested to expedite the process of recognition of laboratories for conducting the tests required as per the notified standards.

Shri P.K. Gambhir, DDG, BIS, explained the process of registration and the recognition of laboratories. The key points included:

1. The procedure for registration is available on BIS website (www.bis.org.in)
2. As per Rule 16 of the BIS Rules, the Registration Scheme is applicable for manufactures and the application for grant of Registration is to be made to BIS in the prescribed proforma along with a copy of test reports and other documents. Applications can be made on-line/offline and registration would be granted by the BIS if the applications and other documents are found to be in order. Further, no visit of any BIS officer to the manufacturing place was needed for Registration. Thereafter, a Registration No. would be issued by BIS and the registered goods are required to display a statement "Self-declaration – confirming to IS (relevant Indian standard number)" followed by the Registration Number granted by the Bureau on the product/packaging sticker/carton, etc.
3. BIS has 34 branch offices across India and registration could be made Online or at the counter at any of the branches.
4. Procedure for recognition of labs is also available on the website of BIS and it is open to Indian/Overseas labs. BIS has ample capacity and was willing to visit aspiring overseas labs for the purpose of granting recognition once a formal request along with application document is received by the Bureau.
5. On the issue of acceptance of the data under IECEE-CB scheme, ILAC Scheme, it was expressed that IECEE-CB Scheme was a multilateral recognition scheme but the test data could only be accepted if the test lab was recognised by the Bureau. It was also informed that for 13 of the 15 notified products the Indian standards were harmonized with IEC standards.
6. The registration would be valid for two years and can be renewed on request. The surveillance samples would be picked up by DeitY/ its authorised agencies and renewal would depend upon the observations during the surveillance.
7. On the issue of OEM suppliers, it was explained that the Registration was open to manufacturers and not suppliers. It was stated that a Technical Advisory Committee has been set up by DeitY to resolve technical issues like series approval, categorisation of a product, etc.
8. Conformity Assessment Bodies explored the mechanism for recognition of labs, possibility to have overseas labs recognised and possibilities for acceptance of test reports generated by accredited test labs or labs under the IECEE-CB Scheme. The process of lab recognition was available on BIS website and was a standardised procedure. The recognition was open to foreign labs as well. BIS visit to lab was needed for recognition.

It was clarified that test reports conducted by labs not recognised by the Bureau, whether from India or abroad would not be accepted.

For more details, please contact Shri Arun Sachdeva, Senior Director, DeitY (Email: asachdeva@mit.gov.in) or Shri A.K. Chawla, Director, DeitY (Email: ak.chawala@nic.in)

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US House Intelligence Committee warns American Companies Doing Business with Huawei and ZTE to “use another vendor”

The Chairman and Ranking Member of the House Intelligence Committee, Mike Rogers and C.A. Dutch Ruppersberger released a report on Oct 8, 2012, recommending to U.S. companies considering doing business with Chinese telecommunications companies Huawei and ZTE to find another vendor. The report encourages U.S. companies to take into account the long-term security risks associated with either company providing equipment or services to the US telecommunications infrastructure. Additionally, the report recommends that U.S. government systems, particularly sensitive systems, exclude Huawei or ZTE equipment or component parts.

The report highlights the interconnectivity of U.S. critical infrastructure systems and warns of the heightened threat of cyber espionage and predatory disruption or destruction of U.S. networks if telecommunications networks are built by companies with known ties to the Chinese state, a country known to aggressively steal valuable trade secrets and other sensitive data from American companies.

Additionally, the report notes that modern critical infrastructure is incredibly connected, everything from electric power grids to banking and finance systems to natural gas, oil, and water systems to rail and shipping channels. All of these entities depend on computerized control systems. The risk is high that a failure or disruption in one system could have a devastating ripple effect throughout many aspects of modern American living. The report states that Huawei and ZTE provided incomplete, contradictory, and evasive responses to the Committee’s core concerns. The report comes after a year-long investigation into the national security dangers posed by Huawei and ZTE, the two largest Chinese telecommunications companies doing business in the United States.

The report includes five recommendations:

1. US government systems and US government contractors, particularly those working on sensitive systems, should exclude any Huawei or ZTE equipment or component parts. Additionally, the Committee on Foreign Investments in the United States (CFIUS) must block acquisitions, takeovers, or mergers involving Huawei and ZTE given the threat to U.S. national security interests.
2. U.S. network providers and systems developers are strongly encouraged to seek other vendors for their projects.
3. Unfair trade practices of the Chinese telecommunications sector should be investigated by committees of jurisdiction in U.S. Congress and enforcement agencies in the Executive Branch. Particular attention should be paid to China’s continued financial support of key companies.
4. Chinese companies should quickly become more open and transparent. Huawei, in particular, must become more transparent and responsive to U.S. legal obligations.
5. Committees of jurisdiction in Congress should consider potential legislation to better address the risk posed by telecommunications companies with nation-state ties or otherwise not clearly trusted to build critical infrastructure, including increasing information-sharing among private sector entities and expanding a role for the CFIUS process to include purchasing agreements.

The report of the Committee is available at: <http://intelligence.house.gov/sites/intelligence.house.gov/files/documents/Huawei-ZTE%20Investigative%20Report%20%28FINAL%29.pdf>

Source: <http://intelligence.house.gov>

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Government of India policies, please visit
Electronics System Design and Manufacturing page:

www.deity.gov.in