ICTE Manufacturing (Information, Communication, Telecom Equipment and Smart city components)

Presentation By: Secretary, Department of Electronics and Information Technology

Knowledge Partner

Partner Industry Associations
## ICTE Manufacturing: 'Make in India' initiatives

### Progress till date

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| 1     | • Modified Special Incentive Package Scheme (M-SIPS), provides CAPEX subsidy of 20-25%  
- 28 proposals approved, with 4.5K Cr planned investment | Policy | DeitY |
| 2     | • Preferential Market Access policy being implemented | Infrastructure | DietY |
| 3     | • Two Electronic Mfg. Clusters (EMCs), and two hi-tech Incubators approved (estimated outlay of ~75 Cr) | Infrastructure | DietY |
| 4     | • Significantly invested in HRD: launched Special PhD scheme, approved 7 new Electronics and IT academies, and financial assistance for vocational training of 4L individuals | Policy, Implementation | DeitY |
| 5     | • Approved Electronic Development Fund policy: rationalized inverted duty structure for select products | Policy | DietY, Ministry of Finance |
ICTE Manufacturing: List of short term initiatives to drive 'Make in India‘ - 1 year

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| 1    | **Create a vibrant, innovation-led ecosystem**  
  - Approve & implement *Fabless chip design policy*  
  - *Operationalize* Electronic Development Fund (including telecom) | Policy, Process | DietY, Ministry of Finance |
| 2    | **Suggestions to stimulate sector economics**  
  - *Extend Focus Product Scheme (FPS)* to additional products; reform inverted duty structure  
  - Allow *deferred payment of excise duty* for 7 years *(threshold value addition)*  
  - *Extend Income Tax Act Section 35 AD* benefits to attract electronics & telecom equipment manufacturers | Budgetary, Policy | Ministry of Finance |
| 3    | **Ease of doing business**  
  - Setup empowered *National Electronics Commission*  
  - Enable *self-certification* for custom clearances of zero duty components and inputs  
  - Simplify licensing process for WPC and SACFA clearances | Policy | Ministry of Finance, DoT |
| 4    | **Develop comprehensive ‘package’ to attract Top global OEM / ODMs & component manufacturers**  
  - Approve “Mega” policy; streamline transfer pricing | Process | Commerce Dept., Ministry of Finance |
ICTE Manufacturing: List of *medium term initiatives* to drive 'Make in India‘ - 3 Years

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| 1    | • Create a vibrant, innovation-led ecosystem  
- Set up **National Centers of Excellence** in emerging areas  
  e.g. **Micro & Nano systems, Internet of Things**  
- Leverage **Defense procurement** to promote electronics manufacturing | Budgetary, Policy | DietY, DoD, DoPD |
| 2    | • Suggestions to stimulate sector economics  
- Extend **duty dispensation** available to mobile phones to other IT and telecom products  
- Setup **duty free component trading and warehousing zone**  
- Extend **interest subvention scheme** to telecom equipment mfrg. Companies | Budgetary, Policy | Ministry of Finance, DeitY, Commerce Dept. |
| 3    | • Ease of doing business  
- Develop a legal framework for fast approval of **medical electronic devices** | Policy | Dept. of Health & Family Welfare, Dept. of Pharma, DeitY |
| 4    | • Attract Top global OEM /ODMs and component manufacturers (e.g. LCD, Lithium Ion, PCB etc.) | Policy | DietY |