



Electronics India

The Second Sunrise

Content

- Why India?
- Emerging Opportunities
- Policy Environment

Why India ?

4 Big Reasons

1. Huge Market

2. Large Talent Pool

3. Conducive Policy

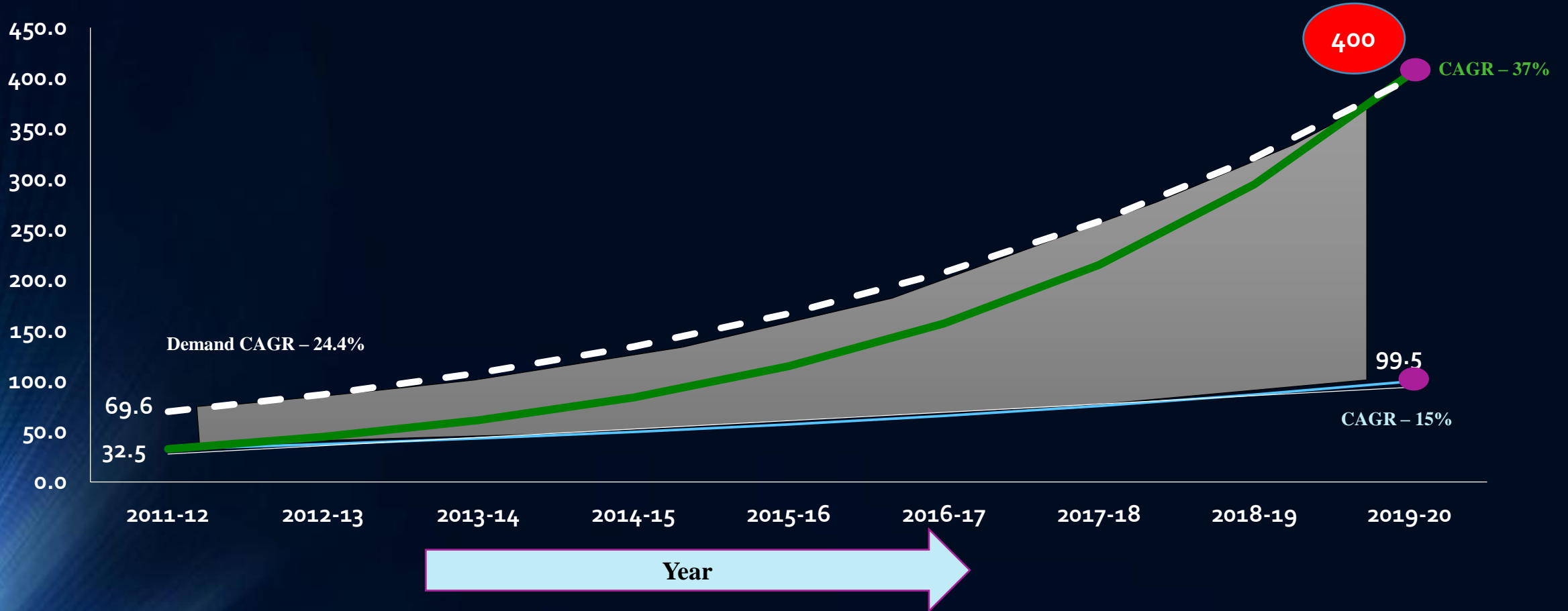
4. Low Operating Costs

The background features a dark blue gradient on the left, transitioning into a bright blue, glowing tunnel-like structure on the right. The tunnel is formed by numerous thin, curved lines that create a sense of depth and movement, leading the eye towards the right side of the frame.

Electronics Market in India

Burgeoning Needs, Emerging Opportunities







Demand & Production Trends for 2020



Values in US\$ Bil

India: 2020

Electronics Market by segment

	Segment	Market Size *
	Telecom Equipment	34
	Laptops, Desktops, Tablets	34
	LED	35
	Consumer Electronics	29
	Set Top Boxes	10
	Automotive Electronics	10
	Medical Electronics	8.5

* US\$ Billions

The background features a dark blue gradient with a series of light blue, curved, and overlapping lines that create a sense of depth and movement, resembling a tunnel or a stylized architectural structure.

Conducive Policy Environment

Infrastructure, Incentives, Innovation

National Policy on Electronics, 2012

Holistic, Investor-friendly, Market-driven





NPE Vision 2020

“To create a globally competitive electronics design and manufacturing industry to meet the country's needs and serve the international market”

Investment	:	US\$ 100 Bil
Production	:	US\$ 400 Bil
Employment	:	28 Mil

NPE 2012 : A Holistic Approach

I

- **Electronics Manufacturing Cluster Scheme (EMC)**



II

- **Modified Special Package Incentive Scheme (M-SIPS)**



III

- **Setting up of Semi-conductor Wafer Fab in India**



IV

- **Preferential Market Access**



V

- **Electronics Development Fund (EDF)**



VI

- **Mandating Safety Standards**



VII

- **Human Resource Development**



Electronics Manufacturing Clusters



ELECTRONICS INDIA
Billion Needs Million Chips

Infrastructure Development

- Roads
- Power
- Water
- ETP's
- Testing facilities
- Social Infrastructure

*Subsidy of **50-75%***



- Subsidy upto ~**USD 10 mil** per 100 acres of land
- Applicable to both Greenfield and Brownfield projects
- Targeting 10 Clusters in 2013, and 200 by 2020



Substantial CAPEX subsidy

Subsidy of 20-25%



- Reimbursement of CVD/excise for capital equipment in non-SEZ units
- Reimbursement of Central taxes and duties for 10 years in select high tech units like fabs and ATMPs
- Available for entire value chain of identified electronics products
- Incentives available for 10 years from the date of approval





FAB in India

Decision by **May 2013**



- India : Latest destination for Chip mfg. based on strength of Chip design
- Global responses sought in the form of EOI to setup Fabs
- Leading players have expressed interest
- Partners for Fab project to be finalized soon



Preferential Market Access (PMA)



ELECTRONICS INDIA
Billion Needs Million Chips

- Enabling framework
- WTO compatible
- No discrimination between foreign and Indian companies

- Preference to domestically manufactured electronic goods in
 - Government procurement
 - Electronic goods having security implications
- Extent of Government procurement from domestic manufacturers will not be less than 30 % of the total procurement.



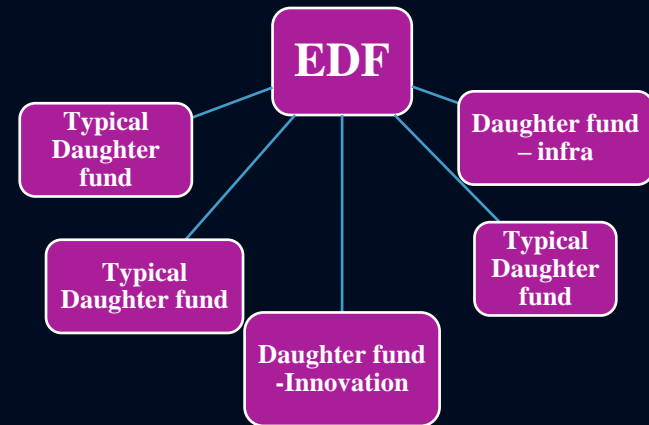
Electronics Development Fund (Proposed)



ELECTRONICS INDIA
Billion Needs Million Chips

Size of EDF

US\$ 2 Bil



- Fund to promote Innovation and IP and R&D, product commercialization, etc in ESDM, nano-electronics & IT sectors
- Comprises of “**Daughter Funds**” of size US\$ 20 Mil - 100 Mil
- Each fund to have Govt. share from 25% - 75%; remaining from private and financial institutions





Order comes into effect from

July 3, 2013



- 15 electronics products notified under safety standards on October 3, 2012
- Allows Self registration
- BIS accredited labs to test the goods





Export Incentives on FOB Value

2-5%



- Focused Product Scheme -2% duty credit script
- Special Focused Product Scheme-5% duty credit script
- Focused Market Scheme





PhDs in Electronics by 2020

2500 annually



- Electronics and Telecom Sector Skill Council set up
- **31** ICT and Electronics Academies-Scheme under approval
- Skill Development for **1 mn** persons
- Special Manpower Development Programme-Phase III for VLSI and chip design for **10,000** students .





Electronics?

Think India !