

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED ADMITTED QUESTION NO. 1209
TO BE ANSWERED ON 27.07.2018

EMPLOYMENT GENERATION IN ELECTRONIC AND IT INDUSTRY

1209. DR. L. HANUMANTHAI AH:

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

- (a) the total number of employment generated in the Electronics and Information Technology industry in the country along with the details thereof;
- (b) whether it is a fact that India is becoming a promising centre of mobile manufacturing in the recent years;
- (c) if so, the details of the number of mobile factories set up in the country during the last five years, including current year, year-wise and State-wise;
- (a) whether Government is taking any measures to encourage more mobile companies to set up their manufacturing factories in the country; and
- (b) if so, the response of Government thereto alongwith the details thereof?

ANSWER

MINISTER FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a): As per the National Association of Software and Services Companies (NASSCOM), the Information Technology (IT) sector has provided employment to about 39,68,000 persons in the country. As per NASSCOM, 6 lakh jobs have been added in the last 4 years in the sector. As per the Confederation of Indian Industry (CII), the employment in Electronics hardware manufacturing industry in the country is estimated to be about 20,00,000 persons.

(b) and (c): India has become a promising centre for mobile handsets and their parts/ components manufacturing in recent years. The details of the number of mobile handsets and their parts/ components manufacturing factories set up in the country during the last five years, including the current year, is given below:

No. of Factories		
1	Mobile Handsets	58
2	Adapter/ Chargers	28
3	Battery Packs	19
4	Mechanical Parts	7
5	Wired Headsets	4

6	USB Cables	3
Total		119

The State-wise breakup of number of factories is as under:

S.No.	State	No. of Factories
1	UP	51
2	Haryana	11
3	Delhi	7
4	Tamil Nadu	7
5	Telangana	7
6	Uttarakhand	7
7	AP	6
8	HP	6
9	Maharashtra	6
10	Karnataka	4
11	Rajasthan	3
S.No.	State	No. of Factories
12	Daman	2
13	Punjab	1
14	West Bengal	1
Total		119

(d) and (e): Promotion of electronics hardware manufacturing, including mobile handsets and their parts/ components, is one of the pillars of Digital India Programme of the Government and Government is taking several measures to promote electronics hardware manufacturing, including encouraging more mobile handsets and their parts/ components manufacturing factories in the country. These include:

- (i) Modified Special Incentive Package Scheme (MSIPS) provides financial incentives to offset disability and attract investments in the Electronics Systems Design and Manufacturing (ESDM) sector, including mobile handsets and their parts/ components. The scheme is available for both new projects and expansion projects, and is open to receive applications till 31.12.2018.
- (ii) Tariff Structure has been rationalized to promote indigenous manufacturing of electronic goods, including *inter-alia* manufacturing of mobile handsets and their parts/ components. To promote domestic value addition in mobile handsets and their parts/ components manufacturing, a Phased Manufacturing Programme (PMP) has been notified. As a result, India has rapidly started attracting investments into this sector and significant manufacturing capacities have been set up in the country during the past three years.

As per Indian Cellular Association (ICA), the production of mobile handsets has gone up from about 6 crore units valued at Rs.18,900 crore in 2014-15 to about 22.5 crore units valued at Rs.1,32,000 crore in 2017-18. All major brands (both foreign and

Indian) either have already set up their own manufacturing facilities or are in the process of doing so or have sub-contracted manufacturing to Electronics Manufacturing Services (EMS) companies operating within the country.

- (iii) To create and strengthen the infrastructure ecosystem for electronics manufacturing, Electronics Manufacturing Clusters (EMC) are being set up in 15 States.
- (iv) Approvals for all foreign direct investment up-to 100% in the electronic hardware manufacturing sector are under the automatic route.
- (v) For promotion of exports in the electronic hardware manufacturing sector, benefits are available under the Merchandise Exports from India Scheme (MEIS) and Export Promotion Capital Goods (EPCG) Scheme of the Foreign Trade Policy, 2015-20.
