

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 1042
TO BE ANSWERED ON 28.07.2023

PROBLEMS FACED BY ELECTRONIC INDUSTRY

1042. SHRI SUSHIL KUMAR GUPTA:

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

- (a) whether Government is aware that the electronics industry in India faces lack of infrastructure, shortage of skilled labour and complex regulatory environment;
- (b) the steps that are being taken to meet the challenges of lack of infrastructure like power supply and transportation and affect the production and distribution of electronic goods; and
- (c) the steps that are being taken to provide skilled labour to the electronics industry in the country?

ANSWER

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

(a) and (b): Government of India's goal is to make India a significant Electronics System Design and Manufacturing hub as part of its Atma Nirbhar Bharat economic policies. In this regard, Government has taken several strategic steps and initiatives for broadening and deepening our electronic manufacturing ecosystem. As a result of these initiatives, the production of electronic goods has grown from INR 1,90,366 Crore in FY 2014-2015 to INR 8,25,000 Crore in FY 2022-23. The export of electronic goods has grown from INR 38,263 Crore in FY 2014-2015 to INR 1,89,934 Crore in FY 2022-23. Also, India is fast emerging as a trusted source/ Country in the global supply chain. India has emerged as the 2nd largest manufacturer of mobile handsets in the world in volume terms. Over 200 units are manufacturing cellular mobile phones and parts / components thereof in the country, up from only 2 units in 2014.

In order to continue growth and expansion of Electronics manufacturing ecosystem MeitY has notified Electronic Manufacturing Clusters (EMC) Scheme in October, 2012. The scheme provides financial support for development of all requisite infrastructure along with common facilities & amenities including uninterrupted power and water supply, Ready built-up space, Common Facility Centres comprising testing & training Centre. Based on further requirement for strengthening of infrastructure to create robust electronics manufacturing ecosystem in the country, Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme was introduced on 1st April, 2020 providing financial assistance for creation of world class infrastructure, including Ready Built Factory (RBF) sheds / Plug and Play facilities for attracting major global electronics manufacturers along with their supply chain to set up units in the country. As on date under Electronics Manufacturing Clusters (EMC) scheme, 19 Greenfield Electronics Manufacturing Clusters and 3 Common Facility Centres (CFCs) have been accorded approval in 15 states and under Modified Electronics Manufacturing Clusters (EMC 2.0) scheme, 5 applications for setting up of EMC project have been approved in 5 states across the country which are well connected with roadways, railways and ports.

(c): Electronics and IT is one of the emerging sectors for employment growth in India. The initiatives taken by the government has facilitated an eco-system for development of ESDM Sector in the entire country which has resulted in employment generation for over 57 lakh persons across the country as per industry estimates. Beneficiaries of PLI FOR large scale electronics manufacturing and their supply chain has created about 100000 blue-collared jobs, out of which ~70% are woman.

Government of India understands that globally competitive skilled talent is important for growth of electronics industry and creating a skilled talent for the electronics sector involves a comprehensive approach that combines education, training, and industry collaboration. All India Council for Technical Education (AICTE) has launched the model curriculum for UG, Diploma, Minor Degree in Semiconductor domain on 18.02.2023 as a step towards creation of Talent pool in Semiconductor domain. These courses at Diploma and UG level will drastically reduce the time gap to make students industry ready. Additionally, India and US signed an MOU to enhance bilateral collaboration on opportunities to advance resilient semiconductor supply chains and leverage complementary strengths. This MoU promote talent and workforce and R&D development to benefit both countries. Further, Government of India has approved two Schemes for Skill Development in ESDM Sector i.e., “*Scheme for Financial Assistance to select States/UTs for Skill Development in Electronics System Design and Manufacturing (ESDM) sector*” (Scheme-1) and “*Skill Development in ESDM for Digital India*” (Scheme-2) to facilitate creation of an eco-system for development of ESDM Sector in the entire country. The Schemes have a cumulative skilling/training target of 4,18,000 candidates in all the States/UTs. Under the Scheme total 99 National Skills Qualification Framework (NSQF) courses in area of ESDM have been approved. Currently, training is being imparted under Schemes in industry linked LOI (Letter of Intent) based “Place and Train” Model to support the industries requirement of skilled manpower. Under both of the schemes so far 4,34,632 have been trained, 3,13,376 have been certified and 77,225 candidates have been placed. Additionally, National Institute of Electronics and Information Technology (NIELIT), an autonomous scientific society under the administrative control of MeitY, with the help of its 49 centres, ~700 accredited training institutions and a network of more than 4,000 facilitation centres, has provided capacity building and skill development in area of electronics and Information Technology.
