GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 715
TO BE ANSWERED ON: 24.07.2026

IT HARDWARE MANUFACTURING IN JAMMU AND KASHMIR

715. SHRI SAT PAUL SHARMA:

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

(a) the total amount of financial incentives sanctioned, released and utilized under the Modified Special Incentive Package Scheme (M-SIPS) for hardware manufacturing units in the Union Territory of Jammu and Kashmir since 2023, year-wise;
(b) whether any application has been received or approved under the Electronics Development Fund (EDF) to provide risk capital to local Startups and venture funds developing breakthrough technologies in Jammu & Kashmir IT sector; and
(c) the specific progress that has been recorded in setting up Greenfield Electronics Manufacturing Clusters or Modified EMC 2.0 projects in J&K to build standard plug-and-play factory sheds for hardware units?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI JITIN PRASADA)

(a) to (c): **Modified Special Incentive Package Scheme (M-SIPS)**
The scheme was designed to attract investment in electronics manufacturing industry by providing financial incentives to offset the disability and high capital cost. The incentives are available for 44 categories/verticals of electronic products and components covering entire electronics manufacturing value chain.

Till date, 300 applications have been approved across 14 States and 1 UT and incentive of Rs.3197.78 crore has been disbursed so far.

M-SIPS is a pan India Scheme and it was open to receive applications from any unit within the country including Union Territory of Jammu and Kashmir.

Electronics Development Fund (EDF)
EDF was set up as a Fund of Funds to invest in “Daughter Funds”. It provides risk capital to companies developing emerging technologies in the area of Electronics, Nano-electronics and Information Technology (IT).

Canbank Venture Capital Funds Ltd. (CVCFL) is the Fund Manager and Ministry of Electronics and Information Technology is the anchor investor of EDF. EDF has invested in eight Daughter Funds.

These Daughter Funds are registered in India and abides by Alternate Investment Fund (AIF) Regulations 2012 of SEBI. As on 30.06.2026, EDF has invested Rs. 257.77 crore in eight

Daughter Funds, which in turn have made investments of Rs.1335.77 crore in 128 Companies/Startups.

Electronics Manufacturing Clusters (EMC)

Ministry of Electronics and Information Technology notified the Electronics Manufacturing Clusters (EMC) Scheme in October 2012. EMC scheme provides plug-and-play infrastructure with ready land, utilities and common facilities for attracting investments in the Electronics System Design and Manufacturing (ESDM) sector.

To further strengthen manufacturing infrastructure, the Modified EMC 2.0 Scheme was launched on 1 April 2020 to attract major manufacturers and their supply chains.

Till date, 31 EMC projects (19 projects in EMC 1.0 and 12 projects in EMC 2.0) and 5 Common Facility Centres (3 CFC in EMC 1.0 and 2 CFC in EMC 2.0) have been approved across 18 States.

No proposal was received from UT of J&K for MSIPS, EDF and Electronic Manufacturing Clusters under EMC 1.0/EMC 2.0 Scheme.

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