

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 6131
TO BE ANSWERED ON 04.04.2018

MSIPS

**6131. SHRI VINAYAK BHAURAO RAUT:
SHRI SHRIRANG APPA BARNE:
SHRI ADHALRAO PATIL SHIVAJIRAO:
SHRI ANANDRAO ADSUL:
SHRI DHARMENDRA YADAV:**

Will the Minister of Electronics and Information Technology be pleased to state:

- (a) whether the Modified Special Incentive Package Scheme (MSIPS) was announced in July 2012 to attract investments in electronics design and manufacturing segment and to provide subsidy of 20 per cent on investments in special economic zone (SEZ) and 25 per cent for non-SEZ zone;
- (b) if so, whether the Government has allocated Rs. 18.5 crore for MSIPS and Electronic Manufacturing Clusters (EMC);
- (c) if so, the total investment proposals received by the Government under MSIPS for electronics manufacturing in the country and the present status thereof during each of the last three years;
- (d) whether the Ministry of Electronics and IT is facing shortage of funds needed for disbursement of incentives promised under its various schemes to boost electronic manufacturing in the country and if so, the facts in this regard along with the reasons therefor;
- (e) whether the Ministry has calculated the amount likely to be required for disbursement of subsidies in the financial years 2017-18 and 2018-19; and
- (f) if so, the details thereof and the steps taken in this regard?

ANSWER

MINISTER of STATE for ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI K. J. ALPHONS)

(a): Yes, Sir. To offset disability and attract investments in Electronic manufacturing, Modified Special Incentive Package Scheme (M-SIPS) was launched by the Government in July 2012. The scheme has been suitably amended time to time. The scheme provides 20-25% subsidy for investments in capital expenditure for setting up of an electronic manufacturing facility (20% for SEZ Units and 25% for non-SEZ Units). The incentives

are available for 44 categories of electronic products and product components. The scheme is applicable for new projects and expansion projects.

The copy of M-SIPS policies and amendment are available in public domain at <http://meity.gov.in>

(b): In the FY 2017-18, the provision of Rs 462.86 crore for the Scheme of promotion of electronics and IT hardware manufacturing has been made. Out of which, Rs 220 Crore was earmarked for Electronics Manufacturing Cluster (EMC) and Rs 136 crore for Modified Special Incentive Package Scheme (M-SIPS).

(c): The details of proposal received under M-SIPS in last 3 years and their status is as under:

S. No.	Year	Proposal Received	Present Status
1	2015-16	122	Approved: 72 Under Appraisal: 15 Closed/rejected : 35
2	2016-17	86	Approved: 30 Under Appraisal: 30 Closed/rejected: 26
3	2017-18	53	Approved: 8 Under Appraisal: 38 Closed/rejected: 7

(d): Out of the provision of Rs 462.86 crore in FY 2017-18 for the scheme of promotion of electronics and IT hardware manufacturing, an expenditure of Rs.460.15 crore has been made as on 31st March 2018.

(e) and (f): Yes, Sir. In FY 2017-18, a provision of Rs 136 crore was made based upon the requirements assessed as per the applications received for disbursement of incentives. For 2018-19, Rs 500 crore has been provisioned for disbursement of incentives under M-SIPS.
