

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOKSABHA**  
**UNSTARRED QUESTION NO. 906**  
TO BE ANSWERED ON 07.02.2024

**ELECTRONIC CONSUMER ITEMS**

**906. SHRIMATI KESHARI DEVI PATEL**

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

- (a) whether 'Made in India' has been launched for various sectors such as Electronic Consumer items such as Smartphones and Defence, etc.;
- (b) if so, the details thereof;
- (c) whether there has been delay in delivery of vehicles due to delay in getting the said chip; and
- (d) if so, the details thereof?

**ANSWER**

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

(a) and (b): Over the last nine years, India's electronics ecosystem has seen tremendous growth and expansion, investment, and job creation. From almost insignificant in the global electronics supply chain, India is currently rapidly becoming a significant and trusted player in the electronics GVC. Most global and Indian electronics brands are investing, growing and creating jobs in the sector. Government of India's goal is to increase India's share in the electronics Global Value Chains (GVCs) by broadening and deepening the country's electronics manufacturing sector. Government has taken several measures to boost electronics manufacturing including smartphones in the country and incentivize large investments in the electronic goods and appliances as well as to promote exports

'Make in India' initiative was launched by the Government of India on 25th September, 2014 to facilitate investment, foster innovation, build best in class infrastructure, and make India a hub for manufacturing, design, and innovation. Electronics System Design and Manufacturing (ESDM) and Defence sectors are among the major sectors under this initiative. Further, Government of India has also promoted domestic manufacturing of goods through public procurement orders, Phased Manufacturing Programme (PMP), Schemes for Production Linked Incentives for large scale electronic manufacturing and Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES) for domestic manufacturing of electronic components in order to strengthen the electronics manufacturing ecosystem in the country.

The success of the smartphone segment in the electronic manufacturing sector in the large part has been due to the visionary Production Linked Incentive (PLI) Scheme. The PLI scheme for Large Scale Electronics Manufacturing (LSEM) was notified on 01.04.2020. Smartphones are a shining example of the rapid growth, significant investment and job creation. The mobile phone production has increased ~18.5 times from INR 18,900 crore in 2014-15 to INR 3,50,000 crore in 2022-23 (industry estimates). Further, the exports of mobile phone have grown ~ 57.5 times from INR 1,566 crore in 2014-15 to INR 90,000 crore in 2022-23 (industry estimates).

(c) and (d): The chip shortage had impacted many industries worldwide with auto and consumer electronics industries among the most affected sectors. The shortage first emerged after the Covid-19 pandemic, due to lockdowns and restrictions. The supply side problem transformed into a demand side problem as economies started recovering, which increased the consumption of electronic goods across various segments. Some key reasons behind the global chip shortage were supply chain disruptions due to the pandemic, a sharp rise in demand for consumer electronic goods and rapid digitization of many sectors of the economy. As per various industry reports, the situation of shortages of semiconductors has already started easing out.

To widen and deepen electronics manufacturing, the Union Cabinet on 15.12.2021, approved a comprehensive program with an outlay of INR 76,000 crore for the development of Semiconductors and Display manufacturing ecosystem aims to provide financial support to companies investing in semiconductors, display manufacturing and design ecosystem. This will serve to pave the way for India's growing presence in the global electronics value chains. The modified programme offers Fiscal Support of 50% of Project Cost uniformly for semiconductor fabs across the technology nodes as well as for compound semiconductors, packaging and other semiconductor facilities.

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