

**GOVERNMENT OF INDIA  
MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA  
UNSTARRED QUESTION NO. 247  
TO BE ANSWERED ON 27<sup>TH</sup> NOVEMBER, 2024**

**RAPID GROWTH IN TELECOM**

**247 SHRI ESWARASAMY K:**

Will the Minister of COMMUNICATION be pleased to state:

- (a) whether it is a fact that in spite of rapid growth in telecommunications, the telecom equipment manufacturing industry has not been properly encouraged;
- (b) if so, whether Government has taken or proposes to take any drastic steps to encourage indigenous telecom manufacturing units in the country; and
- (c) if so, the details thereof?

**ANSWER**

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT  
(DR. PEMMASANI CHANDRA SEKHAR)**

(a) to (c) The Government is committed for development of telecom equipment manufacturing industry in the country. Steps taken by the Government to encourage indigenous telecom manufacturing are as follows:

**1. Production Linked Incentive (PLI) Scheme for telecom and networking products:** The PLI scheme was launched in June, 2021. Salient features of the scheme are as under:

- Total financial outlay of Rs. 12,195 Crore.
- Total of 33 telecom and networking products.
- Incentives ranging from 4 to 7%.
- Additional 1% incentive for MSMEs for first 3 years.
- Additional 1% incentive for products 'Designed in India'.

As on 30.09.2024, performance of the scheme, is as under:

- Total 42 applicant companies including 28 MSMEs.
- Cumulative Investment (Rs. Crore): 3,925
- Total Sales (Rs. Crore): 65,320
- Out of which, exports (Rs. Crore): 12,384

**2. Telecom Technology Development Fund (TTDF) Scheme:** The TTDF scheme was launched on 01.10.2022 with the aim at funding research and development of technologies, products and services for providing telecom services in rural and remote areas.

**3. Digital Communications Innovation Square (DCIS) Scheme:** The DCIS Scheme was launched in 2021 to support translation of innovative ideas and knowledge in engineering into pilot scale operation, field deployment or viable technology development.

**4. Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing:** The scheme was notified on 1<sup>st</sup> April, 2020 to provide incentive to eligible companies on incremental sales (over base year) involved in mobile phone manufacturing and manufacturing of specified electronic components, including Assembly, Testing, Marking and Packaging (ATMP) units.

**5. Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS):** The scheme was notified on 1<sup>st</sup> April, 2020 to provide financial incentive of 25% on capital expenditure for the identified list of electronic goods that comprise downstream value chain of electronic products, i.e., electronic components, semiconductor/ display fabrication units, ATMP units, specialized sub-assemblies and capital goods for manufacture of aforesaid goods.

**6. Modified Electronics Manufacturing Clusters (EMC 2.0) Scheme:** The scheme was notified on 1<sup>st</sup> April, 2020 to provide support for creation of world class infrastructure along with common facilities and amenities, 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. The scheme provides financial assistance for setting up of both EMC projects and Common Facility Centres (CFCs) across the country.

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