

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO.268
TO BE ANSWERED ON: 27.11.2024

STARTUP ACCELERATOR FOR PRODUCT INNOVATION

268. SHRI VISHNU DATT SHARMA:

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

- (a) whether the Government has launched a Startup Accelerator for product innovation, development and growth in electronics and information sector during the recent past and if so, the details thereof;
- (b) whether the Government has proposed to scale up its network of incubators and accelerators and if so, the details thereof; and
- (c) the details of the other steps taken by the government to boost the electronics manufacturing in the country?

ANSWER

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

(a) to (c): The Ministry of Electronics and Information Technology (MeitY) has undertaken various initiatives and measures to promote a culture of innovation and entrepreneurship in the country.

The Startup Accelerator of MeitY for Product Innovation, Development, and Growth (SAMRIDH) programme was launched in August 2021 for a period of three years (further extended for one year) to accelerate around 300 Startups through existing and upcoming Accelerators. At present, under SAMRIDH programme, 175 startups have been selected and accelerated through 22 selected Accelerators spread across 12 States of India.

Further, MeitY has initiated the 'Gen-Next Support for Innovative Startups (GENESIS)' Scheme with the aim to strengthen the startup ecosystem in Tier-II and Tier-III cities across India. The scheme envisages scaling up about 1,600 technology startups, to discover, nurture and grow technology startups with an outlay of Rs. 490 Crore over period of five years and is being implemented by MeitY Startup Hub (MSH).

Further, Government has been implementing following programs focused on development of electronics manufacturing:

1. Production Linked Incentive (PLI) Scheme for Large Scale Electronics Manufacturing: So far, incremental investment of Rs 9,349 Crores had been made under this PLI scheme. This has led to production of more than Rs 6 Lakh Crores.
2. PLI scheme for IT hardware: So far, incremental investment of Rs 501 Crores has been made under this PLI scheme. This has led to production of more than Rs 10,245 Crores.
3. Government has approved Semicon India programme with a total outlay of Rs 76,000 crore for the development of semiconductor and display manufacturing ecosystem in the country for:
 - a. Setting up of Semiconductor Fabs in India which provides a fiscal support of 50% of the project cost on *pari-passu* basis for setting up of Silicon Complementary Metal-Oxide-Semiconductor (CMOS) based Semiconductor Fabs in India.

- b. Setting up of Display Fabs in India which provides for a fiscal support of 50% of Project Cost on *pari-passu* basis for setting up of Display Fabs in India.
- c. Setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab / Discrete Semiconductors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / Outsourced Semiconductor Assembly and Test (OSAT) facilities in India which provides for a fiscal support of 50% of the Capital Expenditure on *pari-passu* basis for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including Micro-Electromechanical System) Fab/ Discrete Semiconductor Fab and Semiconductor ATMP / OSAT facilities in India.
- d. Providing incentives on design through 'Design Linked Incentive (DLI) Scheme' which provides "Product Design Linked Incentive" of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and also "Deployment Linked Incentive" of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application.

3.1 Government has also approved modernisation of Semi-Conductor Laboratory, Mohali to enhance efficiency and cycle time.

3.2 To further support semiconductor manufacturing and creating a semiconductor ecosystem in the country, Government has entered in Memorandum of Understanding (MoU) with USA, European Union, Japan and Singapore.

3.3 Further, Government is also actively working in collaboration with world class players in semiconductor ecosystem. M/s. Applied Materials Inc. (AMAT) has announced to set up a collaborative engineering centre in Bengaluru with an investment of 400 million dollars over 4 years. As part of this, India Validation Centre has already been set up in Bengaluru by AMAT. This engineering centre is focused on development and commercialisation of technologies for semiconductor manufacturing equipment.

3.4 India Semiconductor Mission (ISM) has also entered in to an MoU with LAM Research for skilling of engineers in semiconductor manufacturing.

3.5 M/s. AMD has established its largest global design center, AMD Technostar, in Bengaluru. This centre is focused on the design and development of semiconductor technology including 3D stacking, artificial intelligence, and machine learning.

3.6 Under the Semicon India Programme, up to 2.5% of the outlay of the scheme has been earmarked for meeting the R&D, skill development and training requirement.

3.7 India is well on its path to create a robust semiconductor ecosystem in the country. Presently, India is already one of the most important players in the designing of semiconductor chips and provides for almost 20% of design engineers (Industry reports).

3.8 Further, under Semicon India Programme, Government has already approved five (5) semiconductor projects with cumulative investment of around Rs. 1 lakh 52 thousand crore. Further, 15 semiconductor design companies have also been approved under the Design Linked Incentive Scheme to design chips for Indian products. Additionally, 41 semiconductor design companies have been approved for access of the tools required for designing the chips (called Electronic Design Automation (EDA)) which is being made available by National EDA Tool Grid setup at ChipIN Centre at C-DAC Bengaluru.

3.9 To create the skilled manpower for chip design, Government has launched the Chips to Startup ('C2S') programme which plans to train 85 thousand specialized workforce at about 113 participating institutions in Very Large Scale Integration (VLSI) and Embedded System Design.
