

Pivot Or Perish

The Future Of

Lounge

Covid Tracker

Coronavirus

India2Global Emerging Tech Conclave

#WFHL

Advertisement

Home > Industry > Manufacturing > Industry welcomes India's electronic manufacturing schemes



Photo: Priyanka Parashar/Mint

Industry welcomes India's electronic manufacturing schemes

2 min read . Updated: 02 Jun 2020, 07:25 PM IST

Prasid Banerjee, Abhijit Ahaskar

The production linked incentive scheme has been applauded by various stakeholders, while many said that the Scheme for Promotion of Manufacturing of Components and Semiconductors will help promote component manufacturing in the country



Advertisement





Pivot Or Perish

The Future Of

Lounge

Covid Tracker

Coronavirus

India2Global Emerging Tech Conclave

#WFHL

Topics

Electronics | Semiconductors | Ravi Shankar Prasad

Industry leaders in India have welcomed government's new schemes to promote electronics manufacturing in India. The production linked incentive (PLI) scheme, in particular, has been applauded by various stakeholders, while many said that the Scheme for Promotion of Manufacturing of Components and Semiconductors (SPECES) will help promote component manufacturing in the country.



"The PLI instituted on mobile phones is indeed the first ever scheme announced by a Government in the post-independence period, whereby, similar PLI is extended for both domestic Indian champions and global supply," said Pankaj Mohindroo, Chairman, India Cellular and Electronics Association (ICEA).

The PLI scheme takes the largest portion of what the government announced, standing at approximately Rs. 40,000 crore and is expected to help large scale mobile manufacturing. It offers an incentive of 4-6% over a period of 5 years for manufacturing in India. The application dates are open from today to July 31st.

Advertisement

Nitin Kunkolienker, President of the Manufacturers Association of Information Technology (MAIT), also applauded the schemes, while clarifying that they had been in the works for 2-3 months. "The move in this scheme will help meet targets under National Policy on Electronics (NPE) 2019," he said. "Also, it is imperative that government bring the major electronics ecosystem onboard through these schemes," he added.





Pivot Or Perish

The Future Of

Lounge

Covid Tracker

Coronavirus

India2Global Emerging Tech Conclave

#WFHL

“We applaud the steps announced by the Hon’ble Union Electronics and Information Technology Minister, Ravi Shankar Prasad and are certain that the Production Linked incentive, electronic manufacturing cluster scheme and especially the SPECS scheme that helps overcome disabilities of manufacturing electronic components in India, will provide the needed impetus to increase the manufacturing capacity of the country,” said Muralikrishnan B, COO, Xiaomi India.

Advertisement

“At the moment, the electronics industry is one of the fastest growing sectors, expected to reach \$400 billion by 2025 with potential import opportunity of \$150 billion, which can be leveraged locally,” said Manish Sharma, President and chief executive officer (CEO) of Panasonic India. In his address today, IT Minister Ravi Shankar Prasad had said that the government wants mobile phones to become the largest exported item from India and domestic value addition of 35-40% to mobile manufacturing by 2025.

According to the IT Minister, the electronics manufacturing industry in India grew from Rs. 1,90,366 crore in 2014 to Rs. 4,58,000 in 2018. The country’s share in global manufacturing also rose from 1.3% in 2012 to 3% in 2018. Between 2018 and 2019, exports grew by 38% year-on-year, according to the government.

Advertisement

