

NOTIFICATION

New Delhi, the 22 October, 2012

Subject: Electronics Manufacturing Clusters (EMC) Scheme to provide world-class infrastructure for attracting investments in the Electronics Systems Design and Manufacturing (ESDM) Sector

1. Background and Objective:

1.1 Manufacturing base of electronics products in the country is grossly inadequate in comparison to demand of such goods. Even in cases where products are manufactured in India, the extent of domestic value addition is low. Semiconductors are at the heart of any electronic system and constitute a significant part of the total value of the Bill of Material (BOM). One of the main impediments in the way of attracting investments for manufacture of semiconductors, components and electronic products is lack of availability of good and reliable infrastructure. Government proposes to offer a package of incentives to attract domestic and global investments into the Electronics Systems Design and Manufacturing (ESDM) sector within Electronics Manufacturing Clusters (EMCs) as a means to minimizing the disabilities. In conjunction with the said incentives, it is imperative to ensure that world-class infrastructure and facilities be provided in these EMCs to attract investment and to provide a level playing field. This requirement has also been projected in the report of the Task Force on IT/ITES and Electronics Hardware Manufacturing.