



Ministry of Electronics & Information Technology
Government of India

सत्यमेव जयते

Investment opportunities in Electronics Communication & Information Technology Sector in INDIA



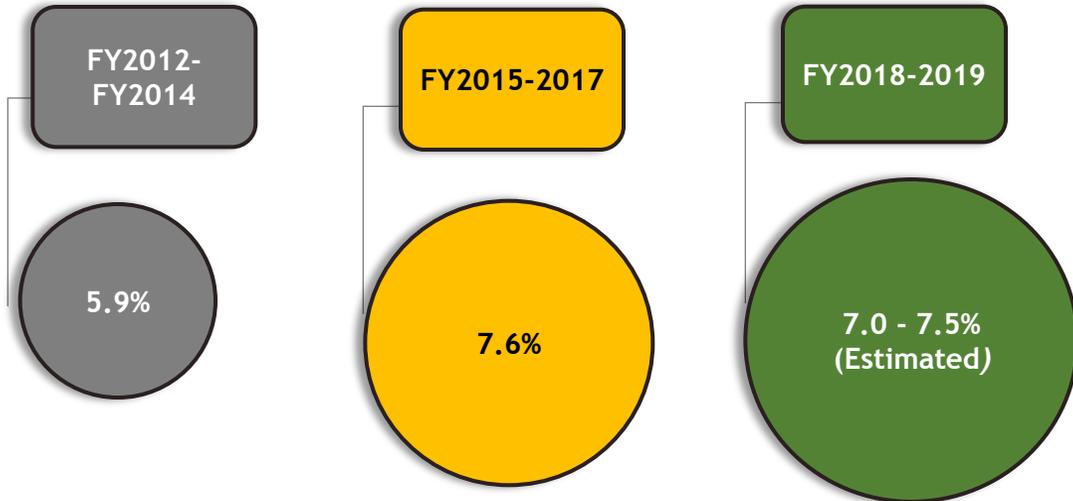
ELECTRONICS INDIA
Billion Needs Million Chips



Digital India
Power To Empower

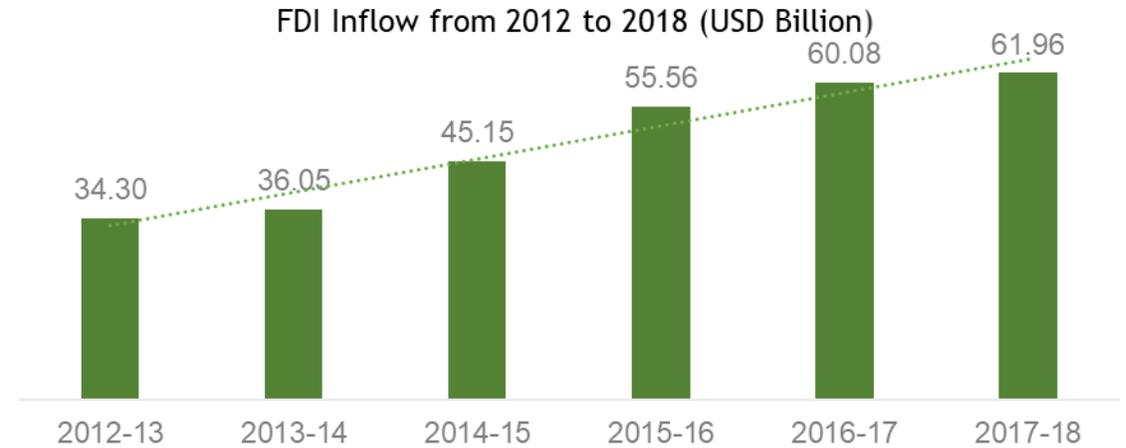
INDIA'S GROWTH STORY

GDP GROWTH



Moody's rating upgrade, 2017 - India's sovereign rating upgraded
Outlook changed from stable to positive

INCREASE In FDI



KEY SECTORS RECEIVING MOST FDI



EASE OF DOING BUSINESS

LIBERAL FDI POLICY

Open Economy

GOODS & SERVICES TAX

Single Tax System

IPR POLICY 2016

Promote innovation, strict enforcement & expedited process

COMPANIES ACT 2015

Simplified Compliance

E-VISA

E-Visa for 161 countries

PERMANENT RESIDENCY

PRS for investors for 10 years

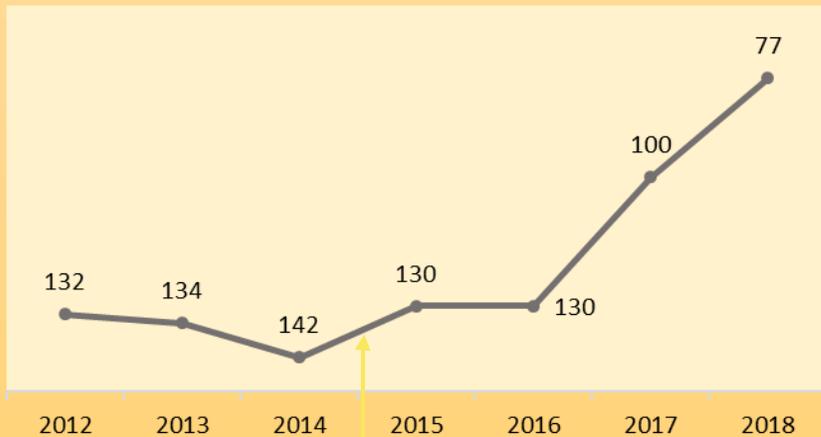
IMPROVED LOGISTICS

Up 19 places on logistics Performance index

BANKRUPTCY CODE

Time-bound Insolvency Process

WORLD BANK'S EASE OF DOING BUSINESS RANKING



Make in India (launched Sept'14)

	Before (2015)	After (2017)
Company Incorporation	10 - 15 working days	1 day
Environmental Clearances	600 days	190 days
Electricity Connection	140 days	5 - 45 days



↑ 23 places
Ease of Doing Business Ranking
#77 (2019)



↑ 24 Places
Global Innovation Index
#57 (2018)



↑ 10 Places
Logistics Performance Index
#44 (2018)

GOODS & SERVICES TAX (GST)

One Nation - One Market - One Tax

EASE OF DOING BUSINESS

- Removal of 17 indirect taxes reducing cascading effect of tax
- Simplification of tax administration & compliance
- More transparent Indirect Tax regime
- Removal of Inter-State tax levies

INCLUSIVITY

- Unorganized sector to come under tax regime

COST ADVANTAGES

- Drop in costs of capital goods, lower inventory & working capital requirements
- Seamless transfer of goods in the country; efficient and low cost logistics

#NEW INDIA- ALL ROUND CHANGES

DIGITAL INDIA



1.2 billion - Mobile Users
500 million - Internet Users
300,000 - CSCs

STARTUP INDIA



3rd Largest & Fastest growing ecosystem

JAN DHAN YOJANA



390 million bank accounts

SKILL INDIA



19 million Workers skilled

AADHAR



1.2 billion Digital Identities

MAKE IN INDIA



Sectors, Processes, Infrastructure & Mind-set

Large & Skilled Work Force Supports Indian Economy

- National Skill Development Corporation (NSDC) initiative
- Train 3.3 million students this year
- Training in 33 sectors
- About US\$ 200 million spent



- Working age population expected to increase to 64 per cent by 2021
- The average age predicted to be 29 years in 2020, lower than China and the US

- Second largest number of engineers & scientists
- Second largest English-speaking population in the world
- Global reputed educational institutes - IITs & IIMs, IISc, IIIT, NITIE, NITs

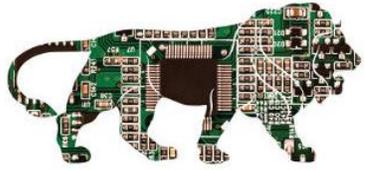
- Expected to be home to 25 per cent of the world's skilled workforce by 2025
- 1.5 million graduates pass out every year
- 250 million people expected to join the Indian workforce by 2030



DIGITAL INDIA

A flagship programme of the Government of India with a vision to transform India into a digitally empowered society





MAKE IN INDIA

- Launched: September 2014
- Objective: Make India as the most preferred global manufacturing destination
- Electronic System Design & Manufacturing (ESDM) sector is one of the focus sector out of 25 focus sectors



Digital India
Power To Empower

ESDM Sector at a Glance

1st

Choice for Tech MNCs to set up R&D Centers outside their home countries

2nd

Biggest smartphone market in terms of active unique smartphone users

2nd

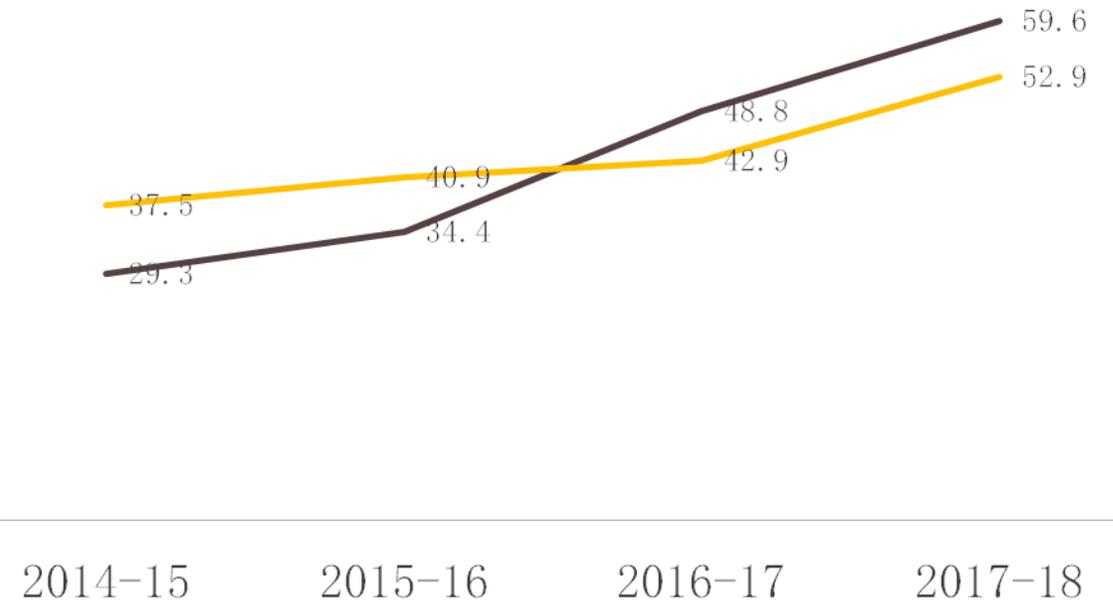
Largest manufacturer of mobile phones in the world

5th

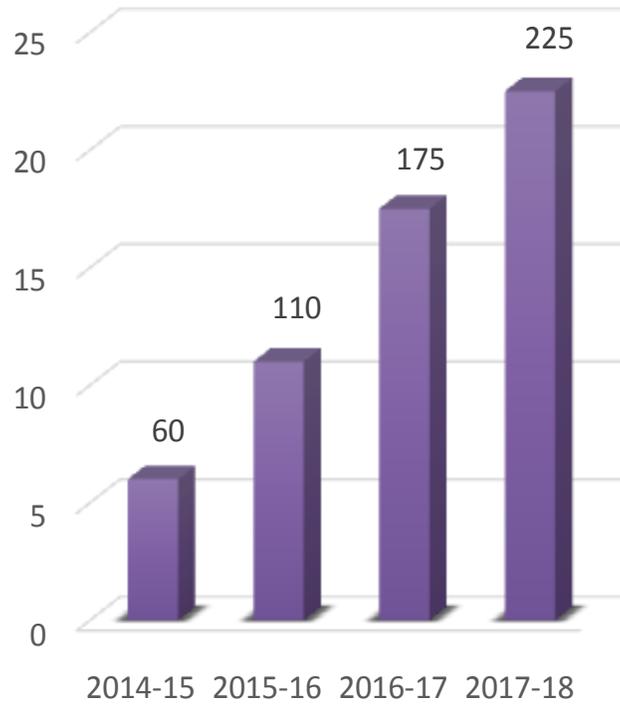
Largest consumer durables market in the world by 2025

Production & Import in Electronics

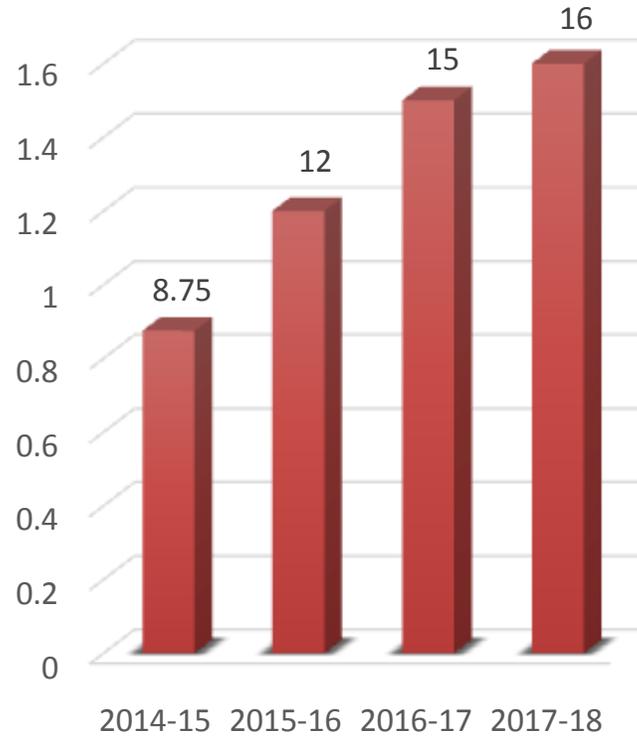
— Production — Import



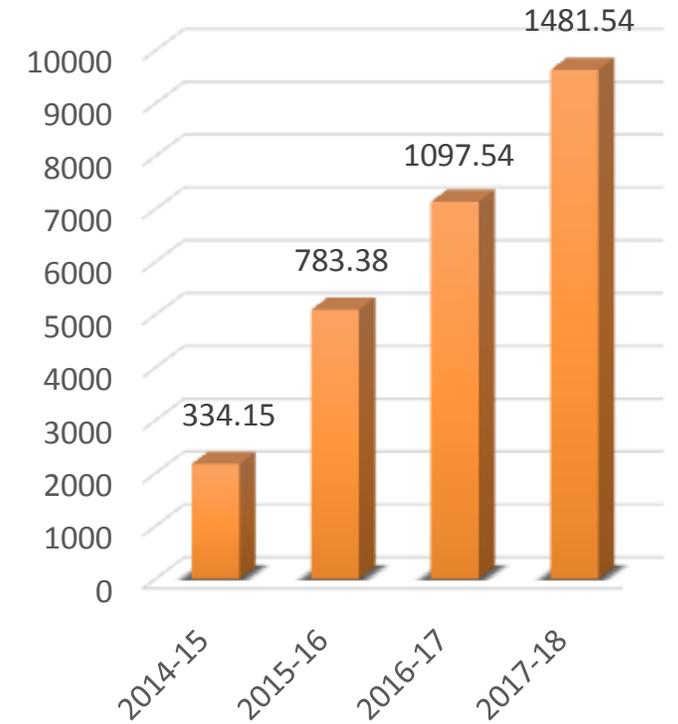
Growth in Production of Electronics



■ Mobile Handsets (Units in million)

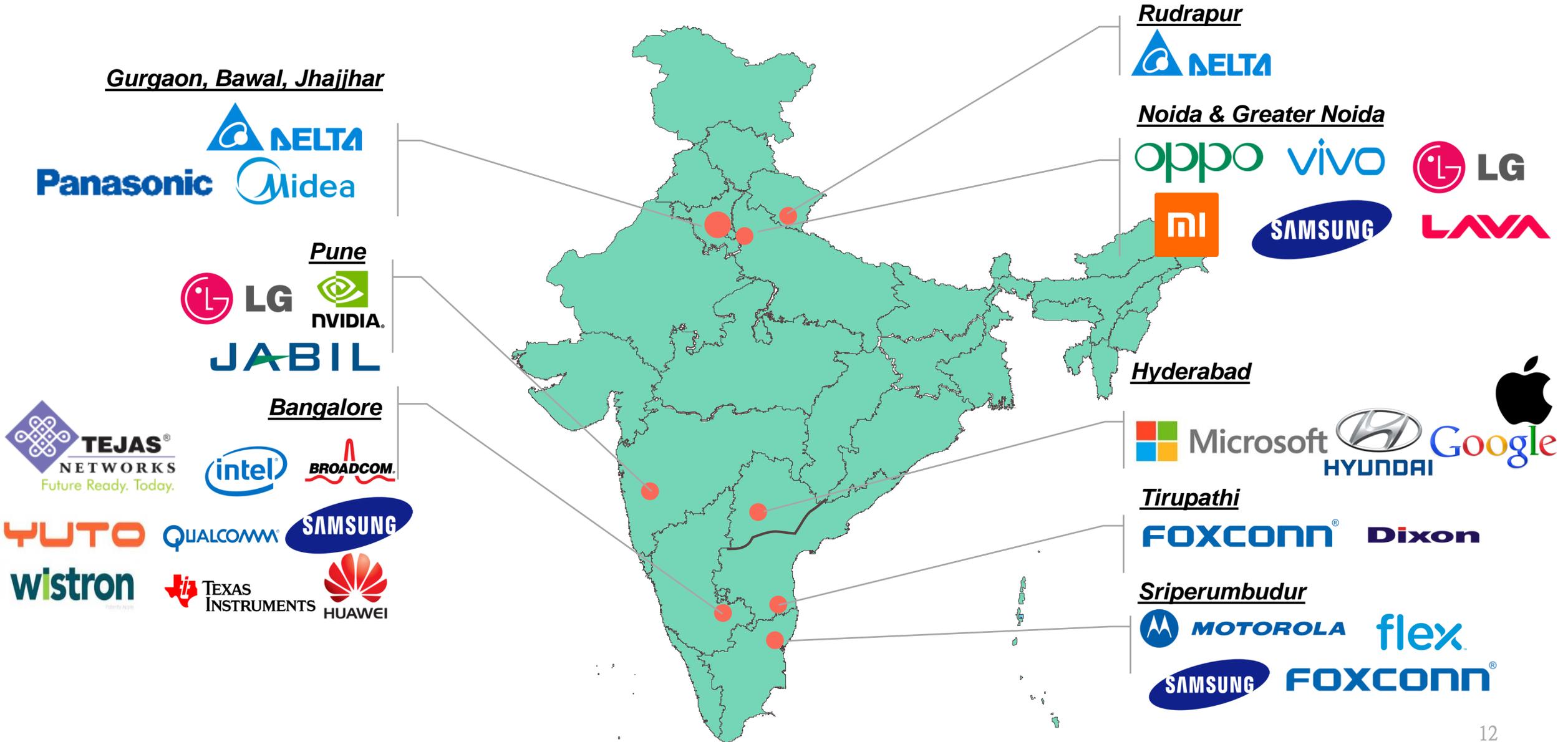


■ LCD/ LED TVs (Units in million)



■ LED Products (in USD million)

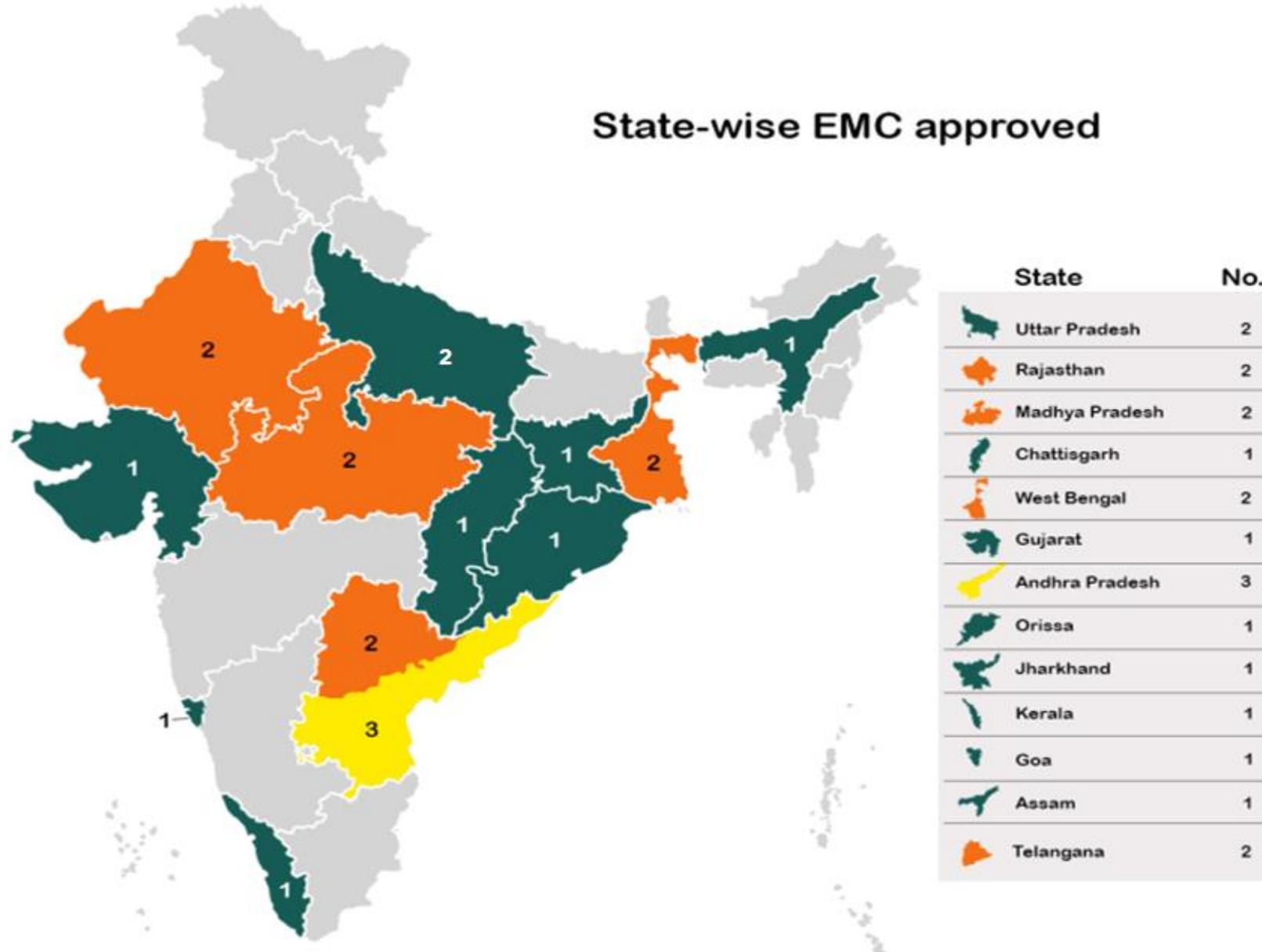
Electronics Manufacturing and Design Ecosystem



Infrastructure & Incentives



New Electronics Manufacturing Clusters (EMC) since 2014



20 Clusters
in 13 States

3561 acres
of fully developed
land available

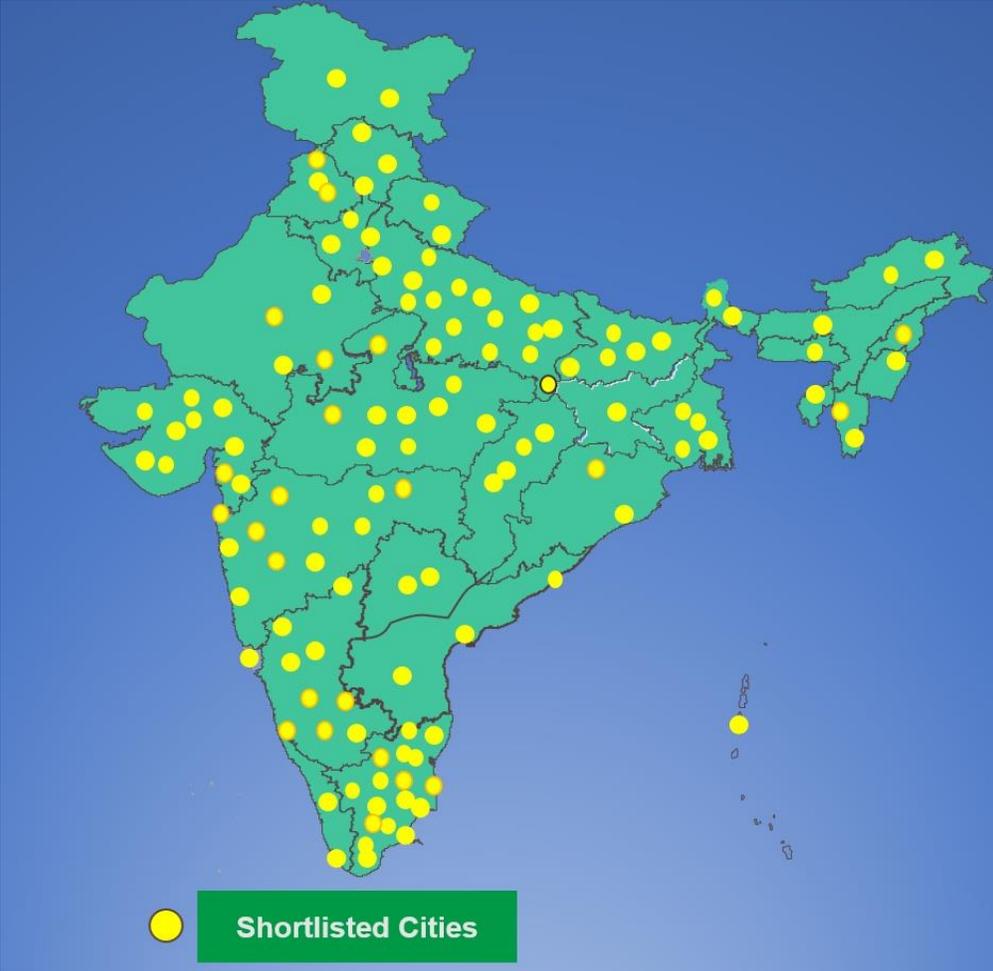
658 Acres
Total land Allotted

Over approx 7.8
Billion USD
investment expected

SMART CITIES & MORE

100% FDI

PPP Models



- Over \$150 billion opportunity
- 100 Smart Cities
- \$15 billion budgetary support over next 4 years for sewerage systems and waste management
- 500 cities under rejuvenation (AMRUT)
- 20 million houses under 'Housing for All' by 2022

Policy Incentives



- Public Procurement Order 2017

- Preference to domestically manufactured goods in Government Procurement
- Notification issued for 11 Electronic Products

- Export Promotion

- Merchandise Exports from India Scheme (MEIS): Export incentive @ 2-4% of FOB value
- Export Promotion Capital Goods (EPCG) Scheme: Permits duty free import of capital goods

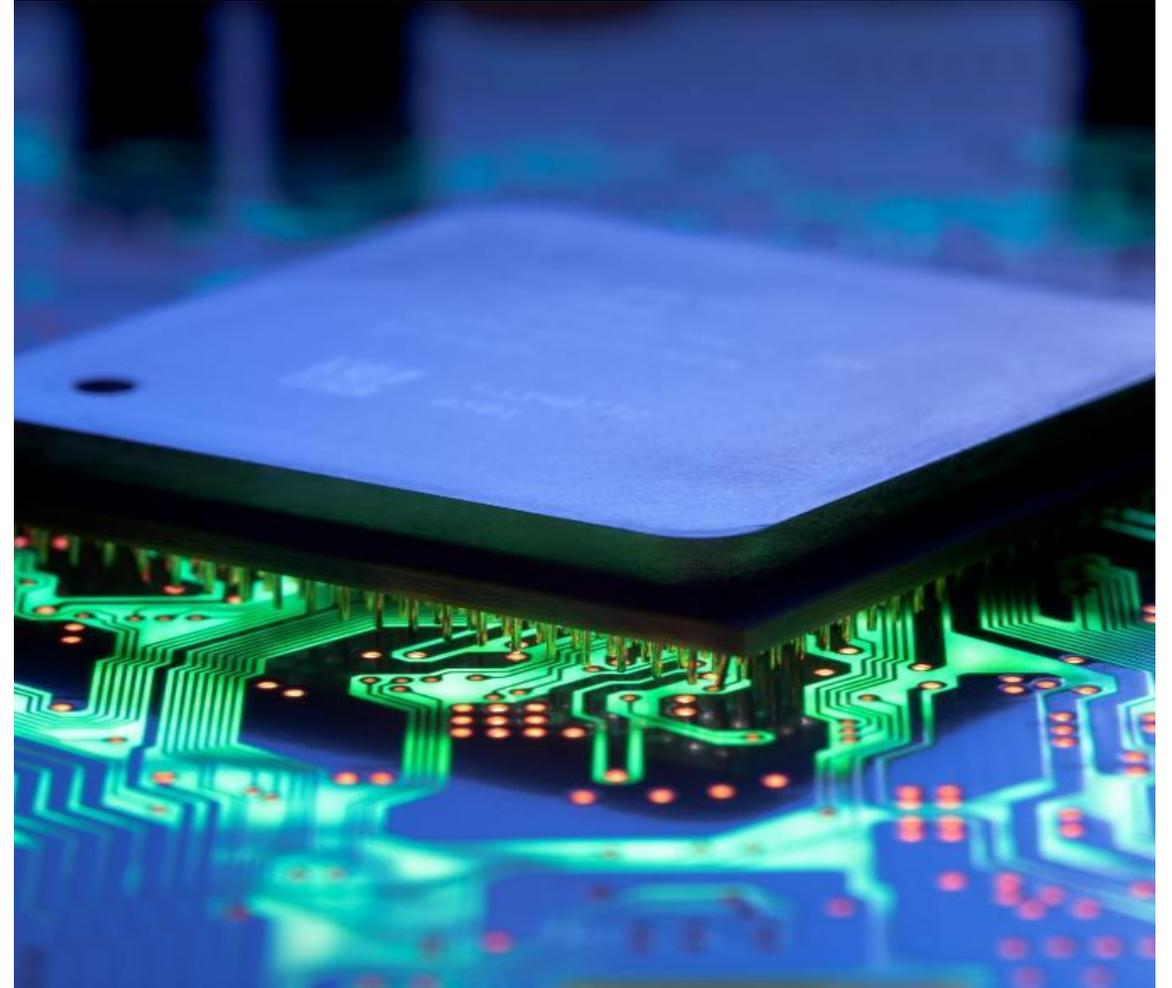
- Phased Manufacturing Programme

- Implemented successfully for manufacturing of mobile handsets and their parts/ components
- Provides duty incentives in favour of domestic manufacturers
- Being implemented for other verticals such as LCD/ LED TVs and STBs also

- National Policy on Software Products (Approved by the Cabinet)

Additional Policy Incentives by State Governments

- Interest Subsidy
- Capital Subsidy
- Land Concession
- Employment Subsidy
- Investment Subsidy
- Power Subsidy
- Electricity duty exemption
- SGST Reimbursement
- Stamp Duty Exemption
- Recruitment & Training Assistance



***Additional Subsidies and Incentives are subjected to State Policies**



Innovation and Start ups



Electronics Development Fund (EDF)



- A Fund-of-Funds to support Daughter Funds to provide venture capital in the area of Electronics, Nano-electronics and IT.
- Fund Commitment of Government: US\$ 130 Million.
- 11 Daughter Funds selected as investment Vehicle with total targeted Corpus of US\$ 796 Million.
- Investment of US\$ 33 Million in 47 Ventures done by 6 Daughter Funds of EDF.





- **National Centres of Excellence:**

- Large Area Flexible Electronics (NCFLEX) at IIT-Kanpur
- Technology on Internal Security (NCETIS) at IIT-Bombay
- Internet of Things (IoT) at Bengaluru, Gurugram Vishakhapatnam & Ahmadabad
- Nano Electronics at IISc Bengaluru and IIT-Bombay
- Next Generation AMOLED Displays at IIT-Madras
- Fabless Chip Design at IIT-Hyderabad

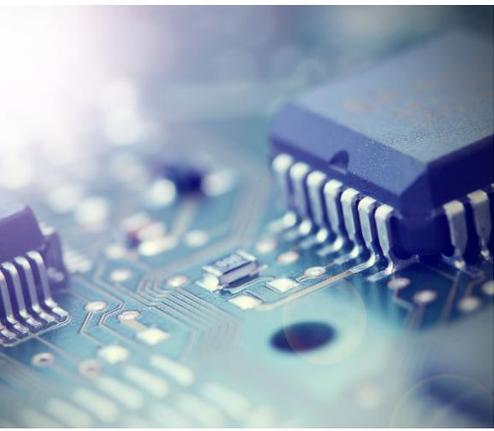
- **20 more Centers of Excellence planned**

- **Electropreneur Park at University of Delhi**

- **Incubation centers at IIT Patna (Medical Electronics)**

- **IITM Kochi (Consumer Electronics)**

- **Technology Incubation and Development of Entrepreneurs (TIDE) Scheme**



Modified Special Incentive Package Scheme (M-SIPS)

A past flagship scheme of Govt. of India to create conducive environment for Electronics Manufacturing

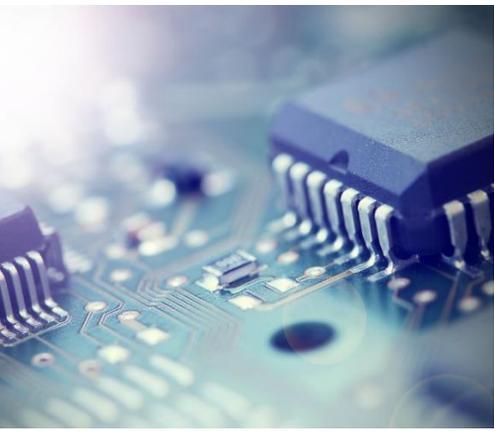
Highlights

- CAPEX subsidy: 20% (SEZ); 25% (Non-SEZ)
- R&D Expenditure: Upto 50% of Capex
- Incentives available for 5 years from the date of approval.
- State Governments also give incentives over and above

**Investment Proposals worth over
US\$ 21 Billion received over a
5 Year Period**

**Helped create excitement among Global Electronics Fraternity.
Received over 550 Investment Proposals.**





Moving forward.. National Policy on Electronics 2019 VISION

To position India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally.



India: #1 R&D Destination

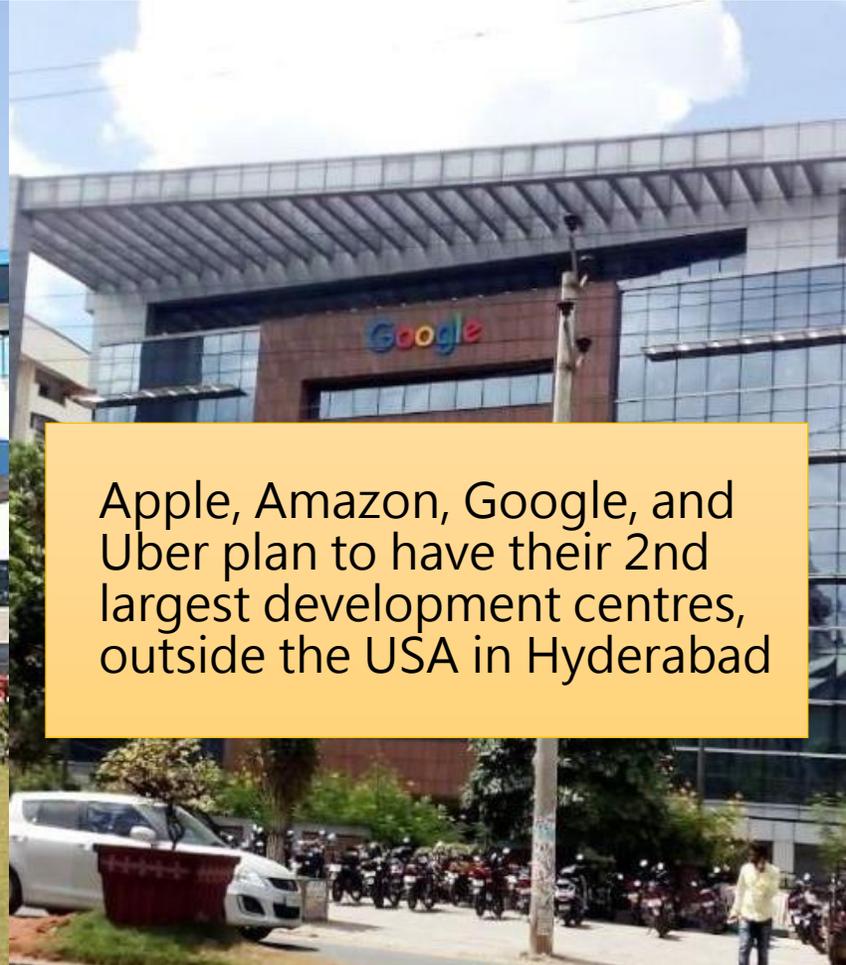
* 1140 R&D Centers of MNCs in India || 900,000 Professionals



Samsung's R&D Institute in Bangalore is the company's largest R&D centre outside of South Korea.



Intel India Design Centre in Bangalore is the company's largest R&D centre outside of USA.

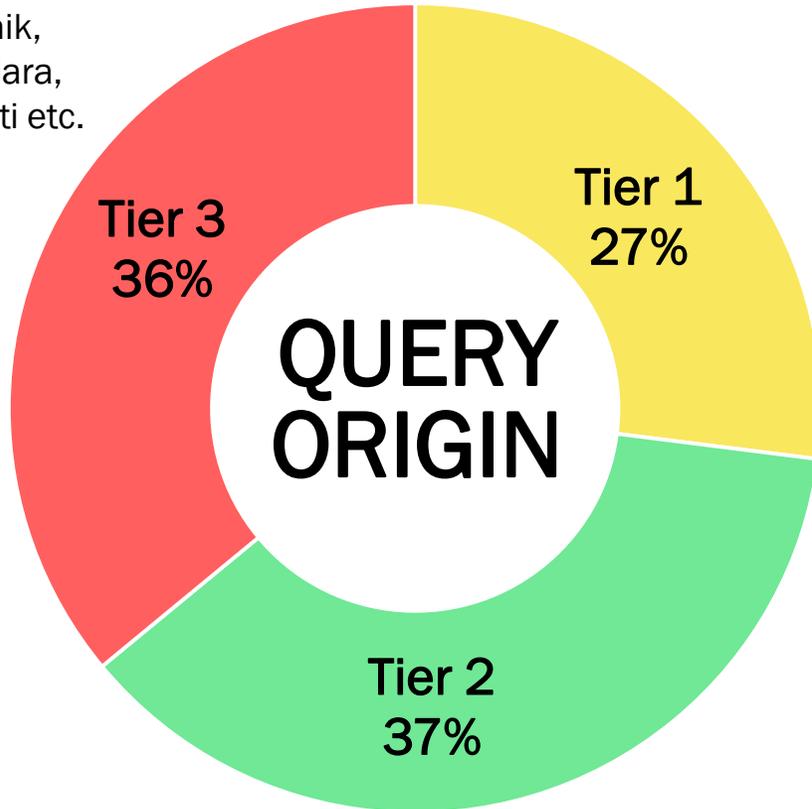


Apple, Amazon, Google, and Uber plan to have their 2nd largest development centres, outside the USA in Hyderabad

INDIA: 2nd LARGEST STARTUP ECOSYSTEM

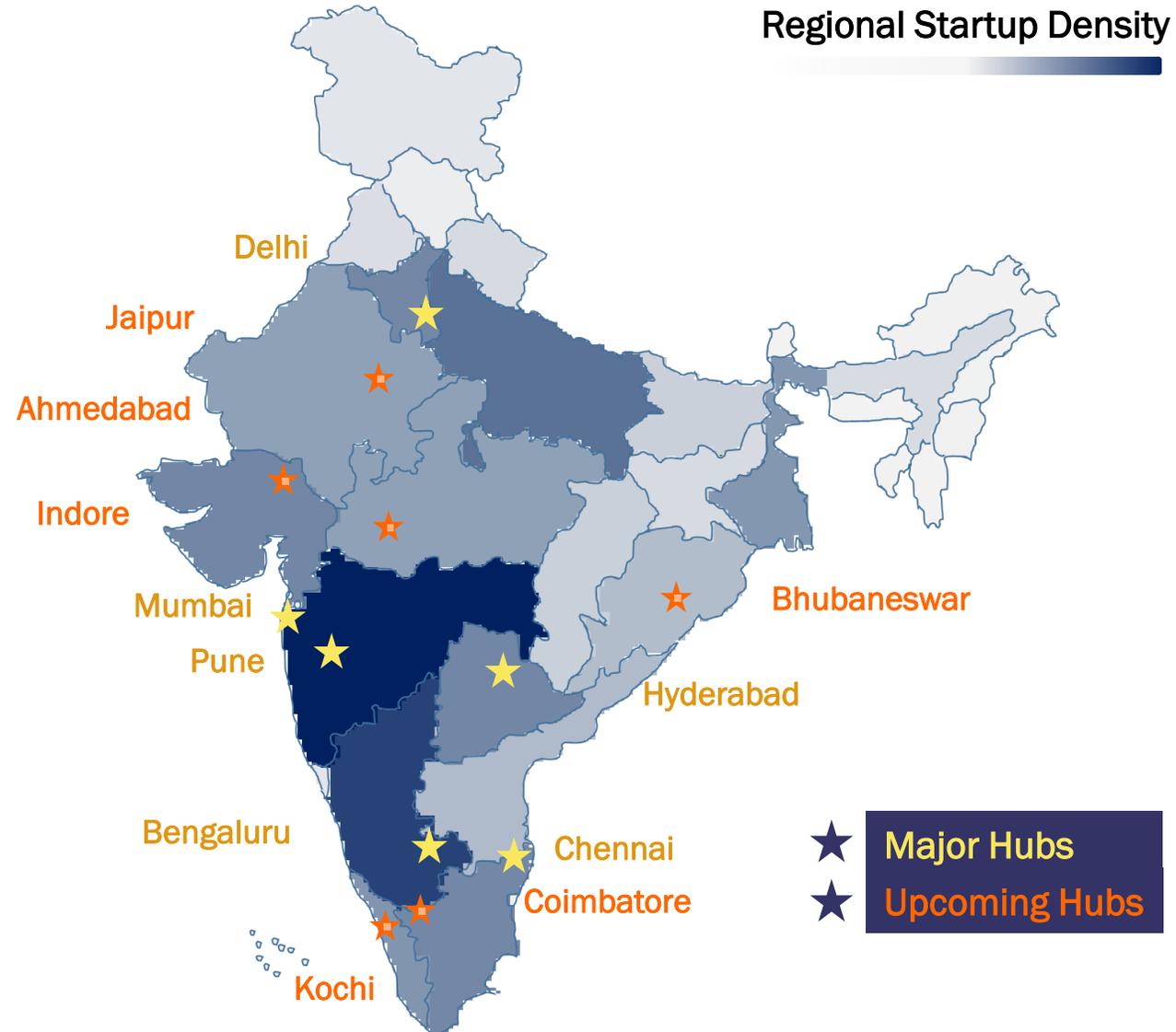
20,000+ Startups in India

Nashik,
Vadodara,
Amravati etc.



Jaipur, Bhopal, Patna etc.

Regional Startup Density



What India Offers

- Ready Land in Clusters and faster Clearance
- Very Attractive Financial Incentives
- Large talent pool and support for skilled manpower
- Support for Innovation and R&D
- World's fastest growing economy

**Design in India
Make in India
Electronics India!**

[*www.meity.gov.in/esdm*](http://www.meity.gov.in/esdm)



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