

PRESS RELEASE

Centre to Collaborate with State in the promotion of Electronic System Design and Manufacturing Industry

Shri Sachin Pilot, MoS, Communications & IT emphasized the importance of the role of the State Governments in the promotion of Electronics System and Design Manufacturing (ESDM) industry in the country. He was addressing a meeting with Chief Ministers and Ministers of the States in a meeting held in Vigyan Bhawan on August 29, 2011. Shri Pilot said that electronics demand in the country is growing exponentially and most of it is being met through imports. There is a huge economic opportunity in developing the ESDM industry in India. Moreover, development of ESDM industry is also extremely important for strategic reasons. According to DIT Task Force Report, the demand for electronics is expected to exceed USD 400 Billion by 2020.

Shri Pilot added that while the Government of India is coming up with a comprehensive policy framework to make it globally competitive to invest in India. The objective of this policy framework is to be able to increase the domestic production of ESDM to around USD 400 Billion. This would involve investment of nearly USD 100 Billion and employment for 28 million people at different level. In ESDM, the State Governments have an extremely important role to play in this regard. The State Governments should consider developing attractive policies for attracting the investment to their states. They can develop Electronic Manufacturing Clusters, create necessary human resource required by the industry and effective single window mechanisms so as to provide ease in doing business in the State.

Shri Milind Deora, MOS for Communications and IT stated that India has the potential to be the alternative source of electronics hardware and Centre and States should

jointly work in this direction. He also highlighted the need for linking the tremendous growth in the telecom sector and development of manufacturing capabilities in the country.

Shri R Chandrasekhar, Secretary Telecom and IT mentioned that the initiatives planned to promote the ESDM country included setting of semiconductor fabs, providing special incentive package for investments across the value chain in ESDM, setting up of electronic manufacturing clusters, preferential market access for domestically produced electronic goods in government procurement and providing assistance for R&D and innovation in the sector. A National Electronics Mission is also proposed to steer the whole programme.

The States generally welcomed the initiative taken by Government of India. The discussions involved Shri Omar Abdullah, Chief Minister of Jammu & Kashmir, Dr. Mukul Sangma, Chief Minister of Meghalaya and Ministers from several states including Andhra Pradesh, Arunachal Pradesh, Haryana, Meghalaya, Orissa, Rajasthan, Tamil Nadu and West Bengal.

Several senior officials of the Government of India, State Governments participated. Shri Ajai Chowdhry, Chairman, HCL Infosystems, representatives of industry associations including CII, MAIT, ISA, ELCINA, ICA, TEMA, among others also participated and emphasized the need.