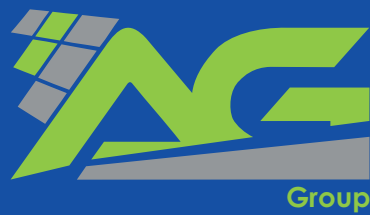


GOVERNMENT POLICY REPORT

May 2022 Edition



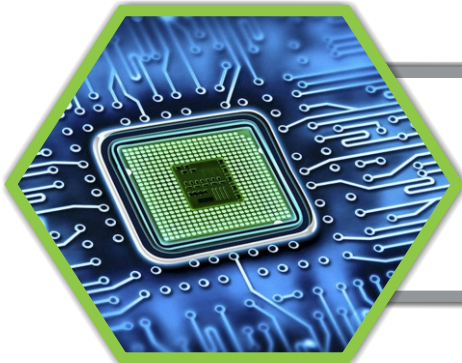
Policies Covered In The Edition



1. "Make in India, Make for the World" Initiative to Become a Global Manufacturing Hub



2. Pradhan Mantri Swasthya Suraksha Yojna



3. India Semiconductor Mission: To Build a Vibrant Ecosystem of Semiconductor and Display Design Manufacturing in India

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"Make in India, Make for the World" Initiative to Become a Global Manufacturing Hub

Since the launch of the Make in India initiative in 2014, to make India a global export hub by expanding the manufacturing and assembly of products across the sectors. The initiative was planned to achieve the objectives through skill enhancement and with the hope of creating new job opportunities across the sectors. The crucial policy reforms providing necessary support have shown the developments right from increasing the Foreign Direct Investment (FDI) to increasing the ease of doing business in India in the manufacturing sector.

Thus, with the increasing capabilities and capacities of Indian entrepreneurs and industries in manufacturing and design, technology adaptation, and robust infrastructure up-gradation like optical fiber network in 6 lakh Indian villages, PM Gati Shakti National Master Plan, Prime Minister has envisioned the extension of "Make in India" initiative in form of "Make in India, Make for World" to provide impetus to the flagship initiative.

The Prime Minister has put forward the idea at the World Economic Forum and shows the rising capabilities of India to upgrade its global buyer-seller relationship as a global partner. The instruments like Free Trade Agreements and Industrial Security Agreements with various countries are showing India's commitment to being a reliable global partner in the manufacturing field across the sectors and playing a crucial role in the global supply chain in the post-Covid world.



It has defined the idea of investing in India through global companies as partners to take the privilege of the current paramount policy shift and strong political uphold. The initiative has all set to welcome the global partnerships in the areas of:



During the tough times of Covid 19, when the world was busy developing quantitative easing through various interventions, the government of India has come up with a strong policy framework that helped Indian manufacturing industries, and MSMEs survive and push Indian startups to scale their growth. The success of the "Atmanirbhar Bharat" initiative has increased the manufacturing capacity of India across the sectors and increased its participation of India in the global supply chain.

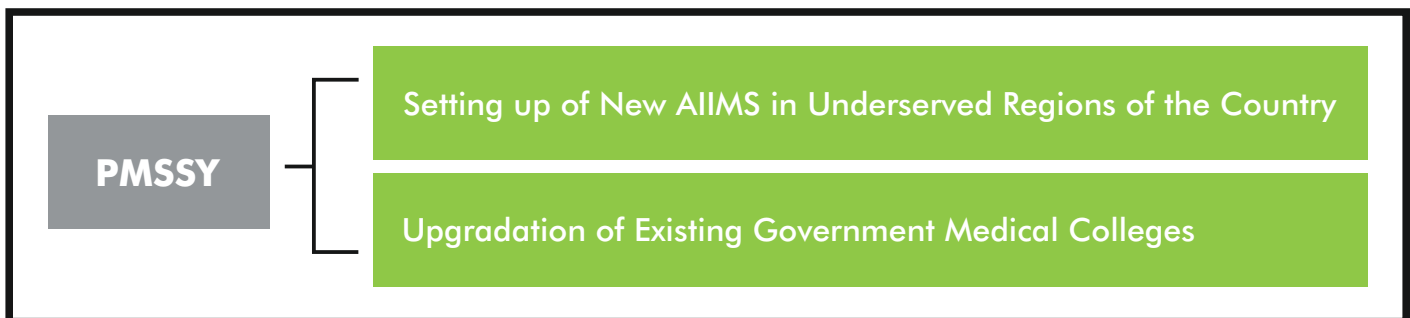
Besides this, the Indian startup ecosystem is showing tremendous capabilities to become a valuable partner in the global business landscape and serve the world with innovation and technology.. India has achieved the US\$400 billion mark in goods export and made history in itself during the Covid19. The journey from 100 startups in 2014 to 100 Unicorns in 2022 is promising the world that India is ready to welcome the global partners to the motherland to serve the country as well as the world through utmost reliability and passion

India through various initiatives is ready to welcome the global manufacturers as partners in the strategic defense sector to carry forward the joint Research & Development projects to enhance innovation, manufacturing, and maintenance of defense equipment. The latest US Indian industry partnership is a beginning in the same direction and will make the path for the success of the Government of India's " Make in India, Make for World" initiative and become the witness of an unprecedented growth phase of the Indian economy during the Amrit Kaal i.e. in the next 25 years.

Pradhan Mantri Swasthya Suraksha Yojna

The Pradhan Mantri Swasthya Suraksha Yojna (PMSSY) to upgrade the tertiary healthcare facilities and Government Medical College capacity of super-specialty departments has recently released the data based on the Output Outcome Monitoring Framework (OOMF) for the fiscal year 2021-22. Against the target of 400 super-specialty approved projects, 357 have been completed and are ready to serve the general public with advanced facilities. The scheme is implemented through the Ministry of Health and Family Welfare to provide quality health services and medical education in the country.

Primarily, the scheme was formulated to address the regional imbalance in the affordable and reliable tertiary healthcare services along with the addition of the capacity of quality medical education, research, and clinical care to all strata of society. But in the wake of the Covid 19 pandemic, many vulnerabilities of Indian healthcare systems including the availability of basic facilities to serve such a large population at Government medical colleges have been identified and gaps were realized. Thus, the Ministry has taken the scheme into the OOMF frame work and has been evaluating the progress into two well-structured components:



As per the government statistics, under the OOMF, against the target of 7500 bed capacity across 13 AIIMS, the bed capacity of 6990 in 12 AIIMS has been achieved. During the last 7 years, the scheme has seen a revival and 22 new AIIMS were announced out of which 6 AIIMS at Bhopal, Bhubaneswar, Jodhpur, Patna, Raipur, and Rishike share started working on their full potential and have served the public during the deadly second wave of the Covid 19. All these fully functional AIIMS in different regions of the country worked as the backbone of the healthcare system during the biggest medical emergency and helped India to bounce back.

Status of New AIIMS in India (As of May 2021):

Number of New AIIMS	Facilities
6	Fully Functional
7	OPD Facility & MBBS Classes
5	MBBS Classes

The scheme parallelly works towards providing the overhaul and up-gradation of existing Government Medical Colleges to provide super-specialty care and health facilities through infrastructure improvement. The scheme was originally formulated in 2003 and has seen a revamp after 2014. Besides this, these Government Colleges and AIIMS are also getting improvement in the areas of medical education and clinical care and contributing towards increasing the human resource capacities in the Indian healthcare system to serve the continuously rising population.

As per the performance report, 2018 by the Comptroller and Auditor General of India, the performance of the PMSSY scheme between 2003 to 2017 has been observed and outlined the need for clear guidelines in the implementation of the scheme since its inception. During the period total of Rs. 14,971 crore has been allocated under the scheme out of which only Rs 9,207 crore has been released for the purpose because of the delays in the approval processes, slow pace of procurement of equipment, etc.

But the National Health Policy 2017 along with the PM Atmanirbhar Swastha Bharat Scheme under the union budget 2021-22 have re-energized the healthcare in India and provided the well-needed impetus and guiding support to the PMSSY. The scheme is now all set to provide assured quality healthcare to all in their local regions itself so that people can make the best use of the healthcare infrastructure and the overall disease burden of India can be reduced over time.



Pradhan Mantri Swasthya Suraksha Yojana (PMSSY)

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NEW AIIMS SANCTIONED BETWEEN 2014-18

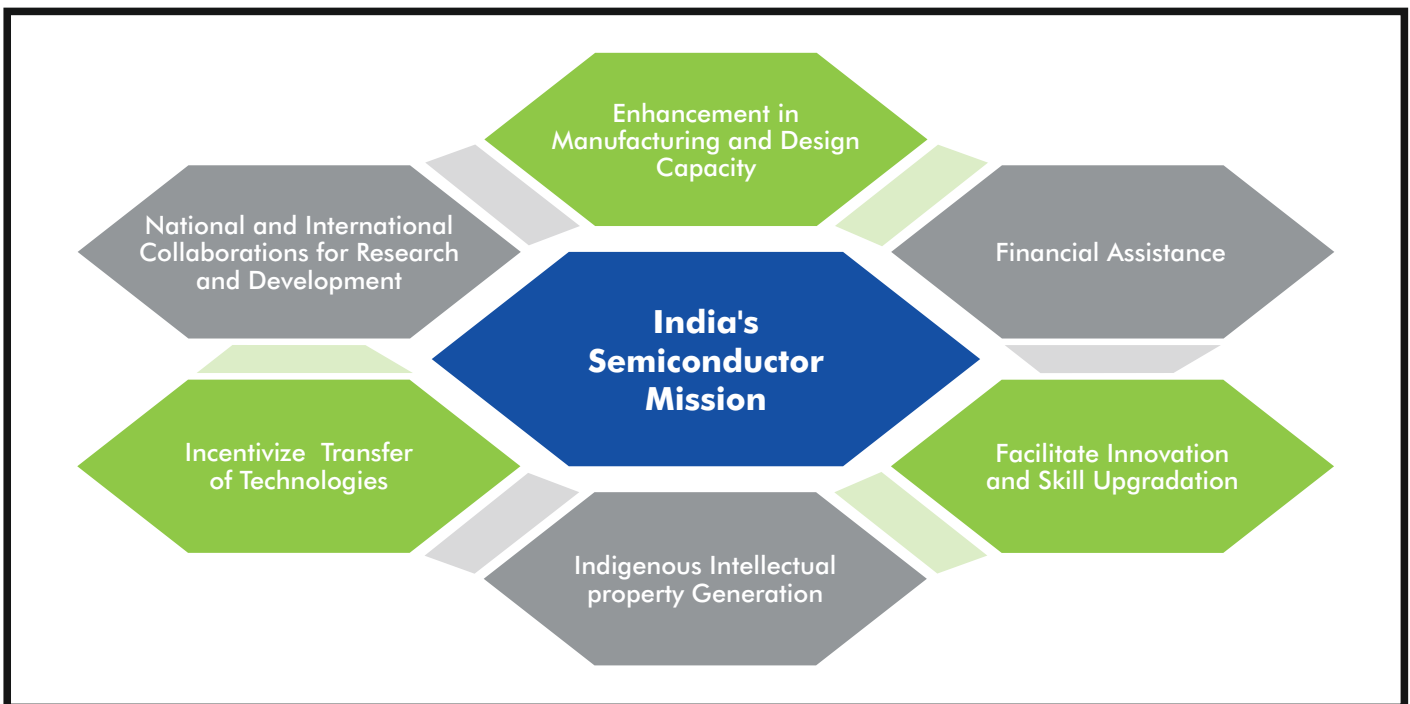
- Mangalagiri (Andhra Pradesh)
- Nagpur (Maharashtra)
- Kalyani (West Bengal)
- Gorakhpur (Uttar Pradesh)
- Bathinda (Punjab)
- Guwahati (Assam)
- Bilaspur (Himachal Pradesh)
- Deoghar (Jharkhand)



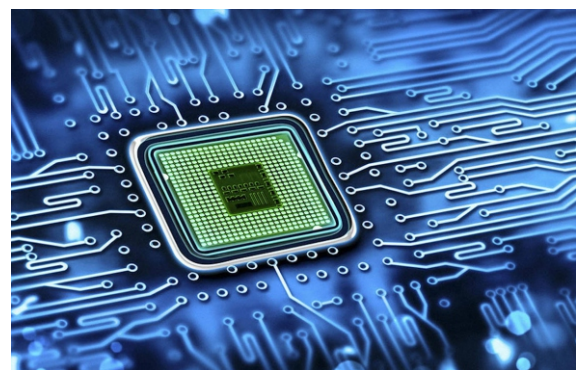
India's Semiconductor Mission: To Build a Vibrant Ecosystem of Semiconductor and Display Design Manufacturing in India

Last year's launch of India's Semiconductor Mission has received an enthusiastic take-off with the launch of SemiconIndia Conference 2022 on 30th April 2022 and sets the roadmap for its execution. The mission is envisioned to enable India to become a global hub for semiconductor and display design manufacturing which is the backbone of the electronics industry.

For this purpose, the Government of India has set up India Semiconductor Mission, as an Independent Business Division under Digital India Corporation. It will look into the administrative and financial matters related to achieving the underlined vision and will be responsible to derive a long-term strategy for the implementation.



The division will be responsible to formulate policy related to collaborations and partnerships among various stakeholders including international agencies to create a conducive environment for collective research, skill enhancement, and technology commercialization in the field. For this purpose, the mission has a total budgetary allocation of Rs 76,000 crore and is distributed among four different schemes for the coherent and effective implementation:



Scheme for Setting up of Semiconductor Fabs

- Provides Fiscal Support for Fab set up in different categories to attract large Investment

Scheme for Setting up Display Fabs

- Provide fiscal support upto 50% of total project cost to setup TFT, LCD, AMOLED based display fabrication facilities

Scheme for Setting up of Compound Semiconductors and ATMP Facilities

- Fiscal support of 30% of total Capital Expenditure to eligible entities including MSMEs
- The ATMP include Semiconductor Assembly, Testing, Marking and Packaging Facilities

Design Linked Incentive (DLI) Scheme

- Provide financial and design infrastructure support across the stages of Development and Deployment of ICs, Chipsets, System on Chips, etc
- Also Provide Product Linked Incentive of upto 50% of eligible expenditure with the maximum limit of Rs 15 Crore on a single application
- Deployment Linked Incentive from 6% to 4% of net sales turnover over 5 years with the maximum limit of Rs 30 Crore on a single application

India is already possessing a great place in semiconductor and design manufacturers in the world. As India has a 20% share in the global talent pool of semiconductor design with a large number of patents and IPR registration in the area. Thus, it became one of the most attractive destinations for investment in research & development and innovation centers of many global semiconductor design companies. The mission will help in utilizing this tremendous treasure for the growth of India's own electronics manufacturing industry and make India self-reliant on the supply of the basic crucial components such as a semiconductor.

In the wake of the Covid 19 pandemic, when the global supply chain and movement of goods were on standstill, India has seen the opportunity in disguise and planned the mission to make itself capable enough in semiconductor manufacturing to counter any future disruptions. The mission has a holistic approach to adopting a safe and continuous semiconductor supply chain along with the secure availability of raw materials, chemicals, gases, and manufacturing and design

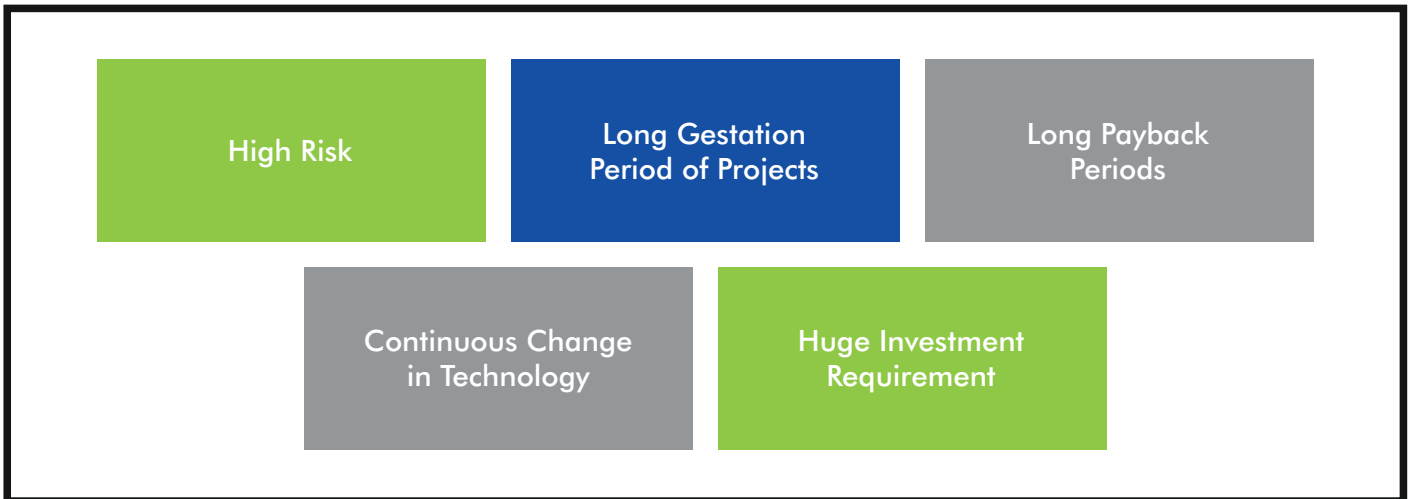
equipment. The mission is well coherent with the objectives and vision of the government's Atma nirbhar Bharat initiative and ready to make India a self-reliant nation in semiconductor manufacturing and electronic display designing to strengthen India's position in the global supply chain.

But, the semiconductor and display design manufacturing facilities are complex to set up and need huge capital and technological investment. This is the reason; the government needs to provide an extra push to develop the industry and attract investment in the field through various lucrative financial assistance schemes. Some of the major challenges faced in the growth of the sector are:

India as Global Hub for Electronics System Design & Manufacturing

Schemes Under National Policy on Electronics 2019:

- Production Linked Incentive Scheme (PLI) for Large Scale Electronics Manufacturing
- PLI Scheme for IT Hardware
- Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)
- Modified Electronics Manufacturing Clusters Scheme (EMC 2.0)



The semiconductor manufacturing industry in India is still in the growing stage and thus needs continuous hand holding from industry experts and academia to take up the research in the field to the next level. This will help India to play a crucial role in the supply chain of electronics manufacturing around the globe, especially in Asia, and will better leverage the talent pool of the country in the field.

To see the tremendous growth scenario, the scheme needs additional financial support from the government in the years to come to make it competitive and attractive enough for investors and manufacturers. The National Policy on Electronics 2019 and Scheme for Promotion of Manufacturing of Electronics Components and Semiconductors are well formulated to provide desired support to the mission and nurture the semiconductor manufacturing industry in India beyond the challenges in coming years.

Resources

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