

Government of India
Ministry of Communications and Information Technology
Department of Electronics and Information Technology

No: 8(50)/2011 – IPHW (Vol.-IV)-Pt-III

Dated: 17th March, 2015

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

- References:**
1. Electronics Manufacturing Clusters (EMC) scheme notified vide Notification No.252 dated 22.10.2012 in Part-I, Section 1 of the Gazette of India (Extraordinary) [F.No.8 (50)/2011 –IPHW].
 2. Guidelines for Electronics Manufacturing Clusters (EMC) Scheme issued vide F.No No.8 (50)/2011-IPHW on 15th April 2013.
 3. Notification of Guidelines for constitution of Special Purpose of Vehicle (SPV) for implementation of Electronics Manufacturing Clusters (EMCs), issued vide F.No: 8(131)/2012-IPHW dated 30th January 2014.

In furtherance to clause 7.2 of the EMC scheme notification cited at Reference 1 above and para 12.1 of the Guidelines for Electronics Manufacturing Cluster (EMC) Scheme dated 15th April 2013 cited at reference-2 above, the following additional guidelines are issued for provision of world class infrastructure for attracting investment in the ESDM sector.

2. These additional guidelines will facilitate setting up of Greenfield EMCs within large industrial estates developed /promoted by Government Industrial Development Agencies.

3. When an agency of the Government takes up development of a large area as Industrial Manufacturing area and intends to earmark a portion of land for a Greenfield EMC, the following conditions will apply:

3.1 The said infrastructure development agency may provide support for development of shared electricity, water, sewerage, ETP, Inner roads etc for large industrial area to obtain economies of scale.

3.2 The pro-rata cost incurred by the agency on shared infrastructure shall be considered towards the project cost of Greenfield EMC subject to the conditions mentioned below:

3.2.1 The said agency undertakes that the land earmarked for Greenfield EMC shall be used in accordance with clause 5.2 and clause 5.4 of the reference cited as 2 above.

3.2.2 The rate of allotment of land in the proposed Greenfield EMC shall be fixed so that a benefit @ of 50% of the cost for eligible items is passed on to allottees of land for Greenfield EMC and the land allotment price accordingly reduced as compared to the price at which land is allotted to industrial units in rest of industrial area. Based on the pro-rata cost mentioned above the said agency would be eligible for a Government of India grant @ of 50% of the cost for eligible items.

3.2.3 50% of the cost for eligible items shall not be more than 75% of the total eligible assistance for the proposed Greenfield EMC. The balance will be available for development of common infrastructure within the EMC.

3.2.4 The Greenfield EMC shall constitute a Special Purpose Vehicle (SPV) in terms of EMC Scheme.

3.2.5 In case, State industrial development agency desires to use the land earmarked for Greenfield EMC for general industrial purpose, it shall refund the grant received under EMC scheme with an interest of 12% per annum.

3.3 All other terms and conditions specified in reference-2 cited above will apply mutatis mutandis.

4. This issues with the approval of competent authority.



Dr. Ajay Kumar
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New Delhi, Dated 17th March, 2015

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