GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 718
TO BE ANSWERED ON: 25.07.2025

SEMICONDUCTOR MANUFACTURING ECOSYSTEM IN INDIA

718. SHRI S NIRANJAN REDDY:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the current status of approved semiconductor fabrication and Assembly, Testing, Marking, and Packaging (ATMP) units under the India Semiconductor Mission, and by when these facilities are expected to begin production;
(b) the manner in which Government plans to ensure backward integration under Component PLI 2.0, and whether a public roadmap with sub-sectoral targets and import substitution milestones be released; and
(c) the concrete bilateral frameworks or MOUs that have been signed to secure trusted access to global supply chains for semiconductor manufacturing given India's reliance on critical raw materials and lithographic equipment?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI JITIN PRASADA)

(a) to (c): Government has approved Semicon India programme with a total outlay of Rs. 76,000 crore for the development of semiconductor and display manufacturing ecosystem in the country. It provides:

1. Fiscal support of 50% of the project cost on *pari-passu* basis for setting up of Silicon Complementary Metal-Oxide-Semiconductor (CMOS) based Semiconductor Fabs in India.
2. Fiscal support of 50% of Project Cost on *pari-passu* basis for setting up of Display Fabs in India.
3. Fiscal support of 50% of the Capital Expenditure on *pari-passu* basis for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including Micro-Electro-Mechanical Systems) Fab/ Discrete Semiconductor Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / Outsourced Semiconductor Assembly and Test (OSAT) facilities in India.
4. Product Design Linked Incentive of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and also “Deployment Linked Incentive” of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application for incentivising chip design.

Semiconductor manufacturing in India

- Six Semiconductor Projects approved under Semicon India with ₹1.55 Lakh Cr investment.
- The projects are expected to generate over 27,000 direct jobs.
- The approved projects are currently at various stages of implementation.

The Electronics Component Manufacturing Scheme (ECMS) aims to cover backward integration by providing capex subsidy on the components and help build entire supply chain domestically.

Driven by Prime Minister's vision of achieving self-reliance and innovation, India has emerged as a global hub for electronics manufacturing. The results are evident in the remarkable growth of electronics goods production and export.

#	2014-15	2024-25	Remarks
Production of electronics goods (Rs.)	1.9 Lakh Cr	11.3 Lakh Cr	~ Increased 6 times
Export of electronics goods (Rs.)	38 thousand Cr	3.27 Lakh Cr	Increased 8 times
Mobile manufacturing units	2	300	Increased 150 times
Production of mobile phones (Rs.)	18 thousand Cr	5.45 Lakh Cr	Increased 28 times
Export of mobile phones (Rs.)	1,500 Cr	2 Lakh Cr	Increased 127 times
Mobile phone imported (units)	75% of the total demand	0.02% of the total demand	

Industry estimates that the value addition for electronics manufacturing in India has substantially increased over these years.

The Electronics Component Manufacturing Scheme (ECMS) has been launched to further broaden and deepen the electronics component manufacturing ecosystem.

Electronics Component Manufacturing Scheme:

- Budgetary outlay: ₹22,919 crore
- Target segment: Sub-assemblies, bare components, their complete supply chain ecosystem and Capital equipment and their sub-assemblies.
- Offers turnover-linked incentives, capital incentives, and hybrid incentives. (combination of both); portion of the incentive also linked to employment generation
- The applications for the scheme are currently being accepted on the portal.
- All the details of the scheme are available at ecms.meity.gov.in

To enhance bilateral collaboration on opportunities to advance resilient semiconductor supply chains and leverage complementary strengths, the Government has entered into MoU with United States, Japan, European Union and Singapore.

****