

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
STARRED QUESTION NO. *315
TO BE ANSWERED ON: 20.03.2026

PROGRESS AND ACHIEVEMENTS OF SCHEMES FOR ELECTRONICS SECTOR

*** 315. SHRI KESRIDEVSINH JHALA:**

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

- (a) the primary objectives of India Semiconductor Mission (ISM) 2.0 launched in Budget 2026-27 and the manner in which it differs from the initial phase;
- (b) the allocation made under Electronics Component Manufacturing Scheme (ECMS);
- (c) whether allocation has resulted in increase in domestic value addition in smartphone manufacturing, if so, the details thereof;
- (d) the manner in which the Ministry is supporting the 24 semiconductor design Startups currently under Design Linked Incentive (DLI) scheme to reach global market;
- (e) whether the Ministry has identified new States for setting up semiconductor clusters following successful approvals in Odisha and Gujarat; and
- (f) if so, the details thereof?

ANSWER

MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI ASHWINI VAISHNAW)

(a) to (f): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN THE REPLY TO RAJYA SABHA STARRED QUESTION NO. *315 FOR 20.03.2026, REGARDING PROGRESS AND ACHIEVEMENTS OF SCHEMES FOR ELECTRONICS SECTOR

(a) to (f): India’s electronic manufacturing strategy is driven by the Hon’ble Prime Minister’s vision of AtmaNirbhar Bharat and Making Bharat a global manufacturing hub. The Government adopted a structured and targeted policy for electronics manufacturing across the entire value chain including semiconductors.

As a result of these policies, electronics manufacturing in India has expanded significantly in the last 11 years.

#	2014-15	2024-25	Remarks
Production of electronics goods (in ₹)	~1.9 Lakh crore	~11.3 Lakh crore	Increased 6 times
Export of electronics goods (in ₹)	~0.38 Lakh crore	~3.3 Lakh crore	Increased 8 times
Production of mobile phones (in ₹)	~0.18 Lakh crore	~5.5 Lakh crore	Increased 28 times
Export of mobile phones in (in ₹)	~0.01 Lakh crore	~ 2 Lakh crore	Increased 127 times
Mobile Phone imported (units)	75% of the total demand	0.02% of the total demand	

Smartphones emerged as the top most category in the exported goods in Calendar Year 2025.

#	HS Code	Item	Export value (in \$)
1	85171300	Smartphones	30.13 Billion
2	27101944	Automotive diesel fuel, not containing biodiesel, conforming to standard is 1460	16.34 Billion
3	71023910	Diamond (other than industrial diamond) cut or otherwise worked but not mounted or set	12.47 Billion

(Source: Directorate General of Commercial Intelligence and Statistics)

Semicon India Programme

Semiconductors is a foundational and strategic industry. They are used in almost every device. To promote the development of its manufacturing ecosystem in India, the Government launched Semicon India Programme in January 2022.

In a short span of four years, the Government has approved 10 projects with investment commitments of about ₹1.6 lakh crore. Commercial production from one of the plants (Micron) has commenced along with pilot production underway in 3 more plants.

Design Linked Incentive (DLI) Scheme

DLI Scheme offers support across various stages of development & deployment of semiconductor design for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design.

Government provides support to these companies in the form of:

1. Design Infrastructure Support with access to EDA tools, IP cores, MPW services, and prototyping facilities;
2. Product Design Linked Incentive offering reimbursement of up to 50% of eligible project costs, capped at ₹15 crore per application; and
3. Deployment Linked Incentive providing reimbursement of net sales turnover ranging from 6% to 4% over five years, capped at ₹30 crore per application.

Startups are selected through a robust evaluation process and supported with mentorship, industry linkages and market exposure. This enhances investor confidence and helps them attract funding.

The scheme helps lower entry barriers and ultimately enables startups to build globally competitive semiconductor products.

So far, 24 projects have been approved under DLI with a total project value of Rs. 900 crore.

- These projects cover products from video surveillance, drone detection, energy metering, microprocessors, satellite communications, broadband and IoT SoCs
- Out of 24 projects, 14 companies have raised venture capital funding to scale up and productize their solutions
- ₹650 crore has been raised in VC funding by Indian semiconductor startups
- Out of the 16 chips designs, 7 chips have been successfully fabricated out of across multiple foundries, including advanced nodes such as 12 nm at TSMC
- 105 fabless chip design companies have been supported with access to advanced EDA tools and IPs, cumulatively consuming 60 lakh hours of tool usage

Chip to Startup (C2S) Programme

In addition, the Government is also providing infrastructure support for chip design to eligible applicants, including access to EDA tools, IP cores, and fabrication facilities. These advanced designing tools are now available to students of 315 universities/institutes. So far, their usage has exceeded 185 lakh hours.

Using the EDA tools and IPs, 146 chips designs have been taped out by 49 institutions across India out of which SCL, Mohali has successfully fabricated and packaged 94 student-designed chips.

India Semiconductor Mission 2.0

Building on the success of Semicon India Programme, India Semiconductor Mission 2.0 was announced in the Union Budget 2026-27, to produce equipment and materials, design full stack, Indian IP and fortify supply chains.

Electronics Components Manufacturing Scheme (ECMS)

Government launched ECMS to further deepen the supply chain ecosystem and develop robust electronics component ecosystem in the country.

It has led to investments across key components such as Printed Circuit Boards (PCBs), passive components, electro-mechanical components, sub-assemblies, camera modules, optical transceivers, and capital goods required for electronics manufacturing.

The goal is to increase domestic value addition (DVA) in electronics products and ultimately increase India's exports share in global electronic trade by integrating with the Global Value Chains (GVCs).

The scheme has received overwhelming response from industry so far. Against the investment target of Rs 59,350 crores, investment commitments of Rs 1.15 lakh crores have been received. Taking cognizance of the strong industry response, in Budget 2026, the Government enhanced the budgetary outlay of the scheme from Rs 22,919 crores to Rs 40,000 crores.

Till date, 46 applications have been approved across 11 states under the ECMS scheme.

The production of these components would cater to the domestic demand as well as enhance our export capability for these components.

Because of this conducive policy environment comprising of schemes such as PLI schemes for mobile manufacturing and ECMS, the production and export of smartphones in Bharat has witnessed a significant growth.
