

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2305**  
TO BE ANSWERED ON: 07.08.2026

**REDUCTION OF DEPENDENCE ON IMPORTED CHIP  
EQUIPMENT AND SUPPLY CHAIN GAPS**

**2305. SHRI R. GIRIRAJAN:**

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

- (a) whether the Union Cabinet has approved a budget outlay of around ₹1.3 lakh crore for semiconductor sector and yet faces execution challenges as over 90 per cent chip equipment is still imported; and
- (b) if so, the details thereof and Government's push to reduce heavy dependence on imported equipment and supply chain gaps?

**ANSWER**

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

(a) and (b): Recognising the importance of semiconductors, the Government launched Semicon India Programme in January 2022 for setting up of semiconductor fabs, display fabs semiconductor packaging and also for promotion of Indian designed chips.

Under the Semicon India Programme, the Government has approved 12 semiconductor manufacturing projects. Twenty-four (24) semiconductor design projects have also been approved for financial support and 105 startups/MSMEs for infrastructure support under this Programme.

These approved projects under the Semicon India Programme have generated demand for an upstream supply chain. To further promote Atmanirbharta and address import dependence, Hon'ble Prime Minister envisioned the development of a robust semiconductor supply chain ecosystem alongside semiconductor manufacturing and design companies.

Accordingly, the Union Cabinet in its meeting held on 15.07.2026 has approved Semicon 2.0 with an outlay of ₹ 1.275 Lakh Crore. Semicon 2.0 is built on following six pillars that encompass all aspects of the semiconductor ecosystem:

|   | <b>Pillars</b>         | <b>Segment</b>                         |
|---|------------------------|----------------------------------------|
| 1 | Design of Chips        | Strategic & commercial chips           |
| 2 | Machines and materials | Equipment, chemicals, gases, materials |

|   |                                              |                                 |
|---|----------------------------------------------|---------------------------------|
| 3 | Setting up more Fabs                         | Silicon, display, compound etc. |
| 4 | Further strengthening the ATMP/OSAT industry | Advanced & legacy packaging     |
| 5 | Research & Development                       | Advanced technologies           |
| 6 | Talent Development                           | Design & manufacturing talent   |

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