GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 3080
TO BE ANSWERED ON: 11.03.2026

INDIA SEMICONDUCTOR MISSION 2.0

3080. DR. KALANIDHI VEERASWAMY:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:
(a) whether the Government has announced India Semiconductor Mission (ISM) 2.0 in the General Budget 2026 to further strengthen the domestic semiconductor and display manufacturing ecosystem;
(b) if so, the details of the scheme including financial outlay, target segments (fabs, ATMP/OSAT, compound semiconductors, design-linked incentives) and proposed implementation timeline;
(c) whether ISM 2.0 provides enhanced fiscal incentives, technology partnerships or research and development support compared to the earlier phase;
(d) the number of semiconductor manufacturing and assembly units approved or proposed under the new phase along with their proposed locations;
(e) whether any facilities are proposed in the State of Tamil Nadu and the expected employment generation therefrom; and
(f) the steps taken by the Government to ensure supply chain resilience, skilled manpower development and long-term competitiveness under ISM 2.0?

ANSWER

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

(a) to (f): The semiconductor development strategy is inspired by Hon'ble Prime Minister's vision of Atmanirbhar Bharat and Make in India, Make for the world.

As part of this strategy, the Government started Semicon India programme for the development of semiconductor & display manufacturing ecosystem to develop a complete ecosystem, ranging from talent pool, design, fabrication, assembly, testing, packing, and module manufacturing.

Achievements:

In a short span of three years, it has seen an investment commitment of about Rs 1.6 Lakh Cr.

- 10 units have been approved including 2 fabs and 8 ATMPs/OSATs and construction work is also going on rapidly
- Commercial production in one unit and Pilot production in 3 units has already started
- These projects are expected to produce more than 24 Bn chips /annum from packaging facilities, 55000 wafer starts per month (WSPM) from fabrication facilities

- 24 projects approved for the design of semiconductor chips and SoCs, with a total project value of Rs. 900 crore, including investments in design infrastructure
    - These projects address critical sectors such as video surveillance, drone detection, energy metering, microprocessors, satellite communications, and broadband and IoT SoCs.
    - Out of 24 projects, 14 companies have raised venture capital funding to scale up and productize their solutions, catalyzing private investment at more than a 3× multiple of the incentives disbursed
    - ₹650 crore raised in VC funding by Indian semiconductor startups
    - 7 chips have been successfully fabricated out of 16 designs taped out across multiple foundries, including advanced nodes such as 12 nm at TSMC
- 105 fabless chip design companies have been supported with access to advanced chip design infrastructure, cumulatively consuming 60 lakh hours of tool usage
- 315 Universities are getting access to advanced EDA tools for the students. So far, their usage has exceeded 185 lakh hours
- 146 designs taped out by 49 institutions across India out of which SCL has successfully fabricated and packaged 94 student-designed chips

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

The details of the scheme are under preparation.

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