

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 474
TO BE ANSWERED ON: 22.07.2026

SEMICONDUCTOR SUPPLY CHAIN

474. DR. GANAPATHY RAJKUMAR P:

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

- (a) whether it is a fact that the Government is stepping up its bid to build a semiconductor supply chain with new project targets spanning chip fabrication, manufacturing and design under the Modified Programme for Development of Semiconductor and Display Manufacturing Ecosystem in the country;
- (b) if so, the details thereof;
- (c) the details of the target fixed/expected to get new employment generated and fresh investments; and
- (d) the time by which the commercial operation be expected to commence?

ANSWER

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

(a) to (d): Guided by the Hon'ble Prime Minister's vision of Atmanirbhar Bharat and positioning India as a global electronics manufacturing hub, the Government has adopted targeted policy initiatives to strengthen the electronics and semiconductor value chain.

India's success in electronics manufacturing:

Since 2014, Government of India has undertaken series of initiatives to promote electronics manufacturing in the country. These include FDI reforms, tax reforms, labour reforms, Production Linked Incentive schemes, etc.

As a result, India now has emerged as one of the major electronics manufacturing ecosystems as seen below:

#	2014-15	2025-26	Remarks
Production of electronics goods (₹)	~1.9 Lakh Cr	~13.11 Lakh Cr	Increased 7 times
Export of electronics goods (₹)	~38 thousand Cr	~4.24 Lakh Cr	Increased 11 times

#	2014-15	2025-26	Remarks
Production of mobile phones (₹)	~18 thousand Cr	~6.27 Lakh Cr	Increased times 33
Export of mobile phones (₹)	~1500 Cr	~ 2.59 Lakh Cr	Increased times 165

India now manufactures around 99.2% of the total mobile phones sold in the country. Mobile phones have emerged as the single largest exported item. Industry estimates that electronics manufacturing now provides employment to nearly 25 Lakh people.

Semicon India Programme:

The semiconductor industry is a foundational industry. All sectors of the economy such as industrial, consumer, defence, telecommunication and automotive etc depend on semiconductors. This sector offers transformative advantages by driving technological innovation, economic growth, and strategic self-reliance.

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 Semicon India Programme, Government has approved 12 manufacturing projects spanning across 6 states namely Andhra Pradesh, Assam, Gujarat, Punjab, Odisha and Uttar Pradesh with total investment commitments of about ₹1.64 lakh crore. These units have the potential to generate more than 32,000 employment opportunities depending on the level of factory automation. The approved projects are at various phases of implementation. Out of these 12 projects, commercial production has already commenced from three plants - Micron Semiconductor Technology India Pvt. Ltd, Kaynes Semicon Pvt. Ltd and CG Semi Pvt. Ltd.

Union Cabinet has also approved Semicon 2.0 on 15.07.2026 with an outlay of ₹1.275 lakh crore. This initiative aims to establish a self-reliant, globally competitive semiconductor design and manufacturing ecosystem covering following six pillars:

	Pillars	Segment
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
