

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
STARRED QUESTION NO. *246
TO BE ANSWERED ON: 05.08.2026

**PROMOTION OF SEMICONDUCTOR MANUFACTURING AND
STRENGTHENING OF ELECTRONICS ECOSYSTEM**

***246. SMT. POONAMBEN HEMATBHAI MAADAM:**

Will the MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government has undertaken measures to promote semiconductor manufacturing and strengthen the electronics ecosystem in the country;
- (b) if so, the details thereof including the progress made under the India Semiconductor Mission;
- (c) the details of the incentives and support extended for semiconductor and electronics manufacturing; and
- (d) the details of the expected impact of these initiatives on employment generation, exports and technological self-reliance?

ANSWER

MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI ASHWINI VAISHNAW)

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

STATEMENT REFERRED TO IN THE REPLY TO LOK SABHA STARRED QUESTION NO.*246 FOR 05.08.2026, REGARDING PROMOTION OF SEMICONDUCTOR MANUFACTURING AND STRENGTHENING OF ELECTRONICS ECOSYSTEM

(a) to (d): Inspired by Hon'ble Prime Minister's vision of Make in India and Atmanirbhar Bharat, Government adopted structured and targeted policy initiatives to develop India's electronic manufacturing ecosystem. These initiatives supported the manufacturing of finished products, followed by sub-assemblies, components, and eventually the machinery and tools. Apart from fiscal support, these initiatives also include non-fiscal support such as FDI reforms, tax reforms, labour reforms and measures for Ease of Doing Business (EoDB).

Major schemes to promote electronics manufacturing:

Following are the major initiatives of the Government to promote electronics manufacturing in India:

- PLI Scheme for Large Scale Electronics Manufacturing
- PLI Scheme 2.0 for IT Hardware
- Electronics Manufacturing Clusters (EMC 2.0) Scheme
- Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS)
- Electronics Component Manufacturing Scheme (ECMS)

The details of the incentives/support offered under the respective schemes/initiatives are available at www.meity.gov.in

Impact of these initiatives on electronics manufacturing:

These initiatives have significantly impacted electronics manufacturing ecosystem in the country in the last 12 years, which can be seen from the following statistics:

#	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
Production of mobile phones (₹)	~18 thousand Cr	~6.27 Lakh Cr	Increased 33 times
Export of mobile phones (₹)	~15 hundred Cr	~ 2.59 Lakh Cr	Increased 165 times

As a result of these initiatives, India is the second largest mobile manufacturer in volume terms. The country has transitioned from being a net importer of mobile phones in 2014 to becoming a net exporter.

India has now reached a point where ~ 99.2% of the mobile phones being used in India are made in India.

Smartphones, which did not feature in the top 100 exported commodities in 2014 has now emerged as India's top exported individual commodity in FY 2025-26.

The electronics exports from India include Smartphones, Photovoltaic Modules, PCs, populated loaded Printed Circuit Boards (PCB), and many more components.

As per industry estimates, India's electronics manufacturing sector supports ~25 lakh jobs (direct and indirect) reflecting the sector's growing role in creating industrial employment opportunities.

Mobile Phone Manufacturing Scheme (MPMS)

To further scale up mobile phone manufacturing, deepen domestic value addition, strengthen supply chain resilience and enhance global competitiveness, the Union Cabinet has recently approved the Mobile Phone Manufacturing Scheme (MPMS) with a budgetary outlay of Rs 62,500 crore.

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 capabilities 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. The details of the incentives/support offered under the programme are available at www.ism.gov.in.

Under the 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. Out of these 12 projects, commercial production has already commenced from three plants.

Semicon 2.0:

To provide sustained support for semiconductor manufacturing, the Union Cabinet has approved Semicon 2.0 on 15.07.2026 with an outlay of ₹1.27 lakh crore. This initiative aims to establish a self-reliant, globally competitive semiconductor design and manufacturing ecosystem. Semicon 2.0 has following six pillars:

S. No.	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
