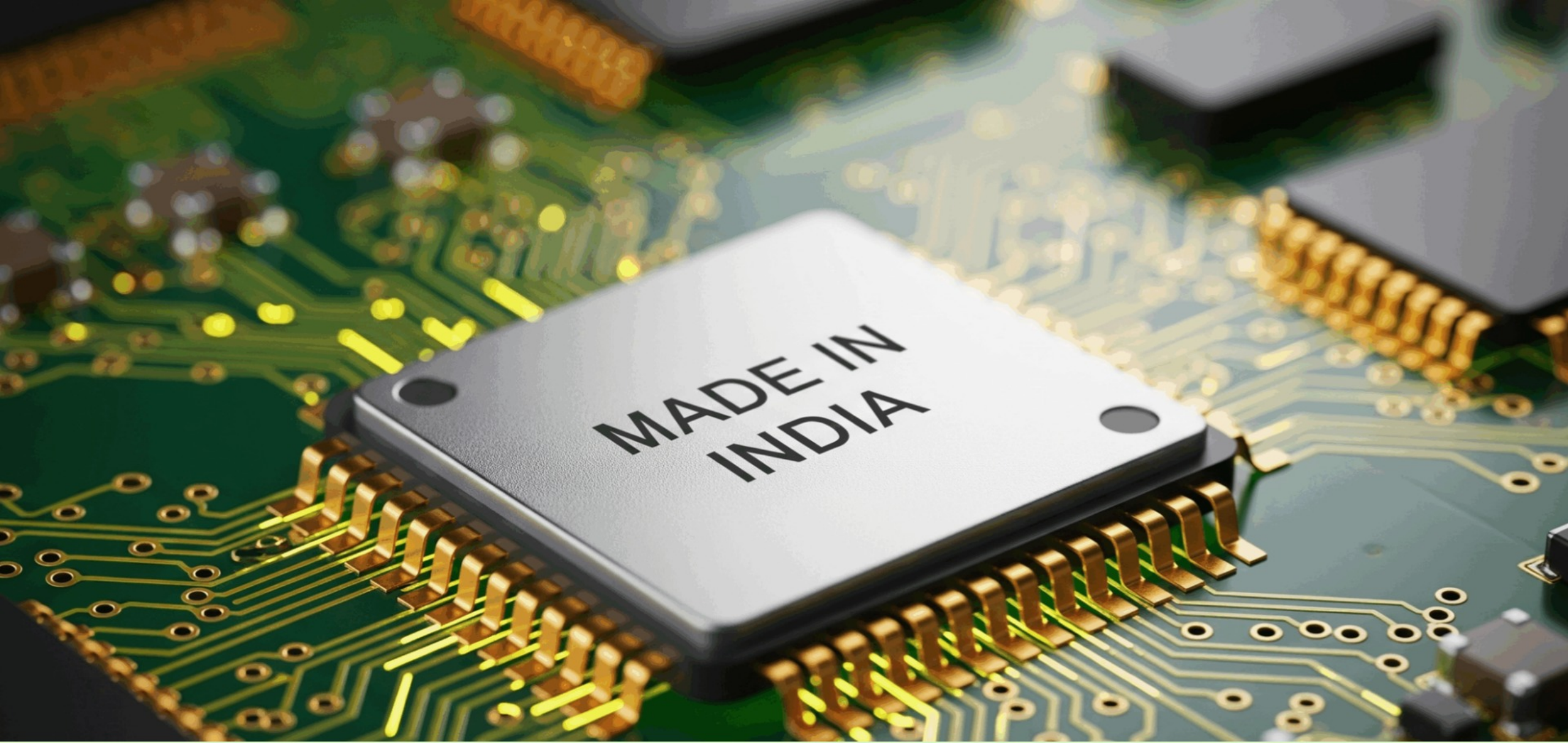


Media briefing

Wednesday, 15th July 2026



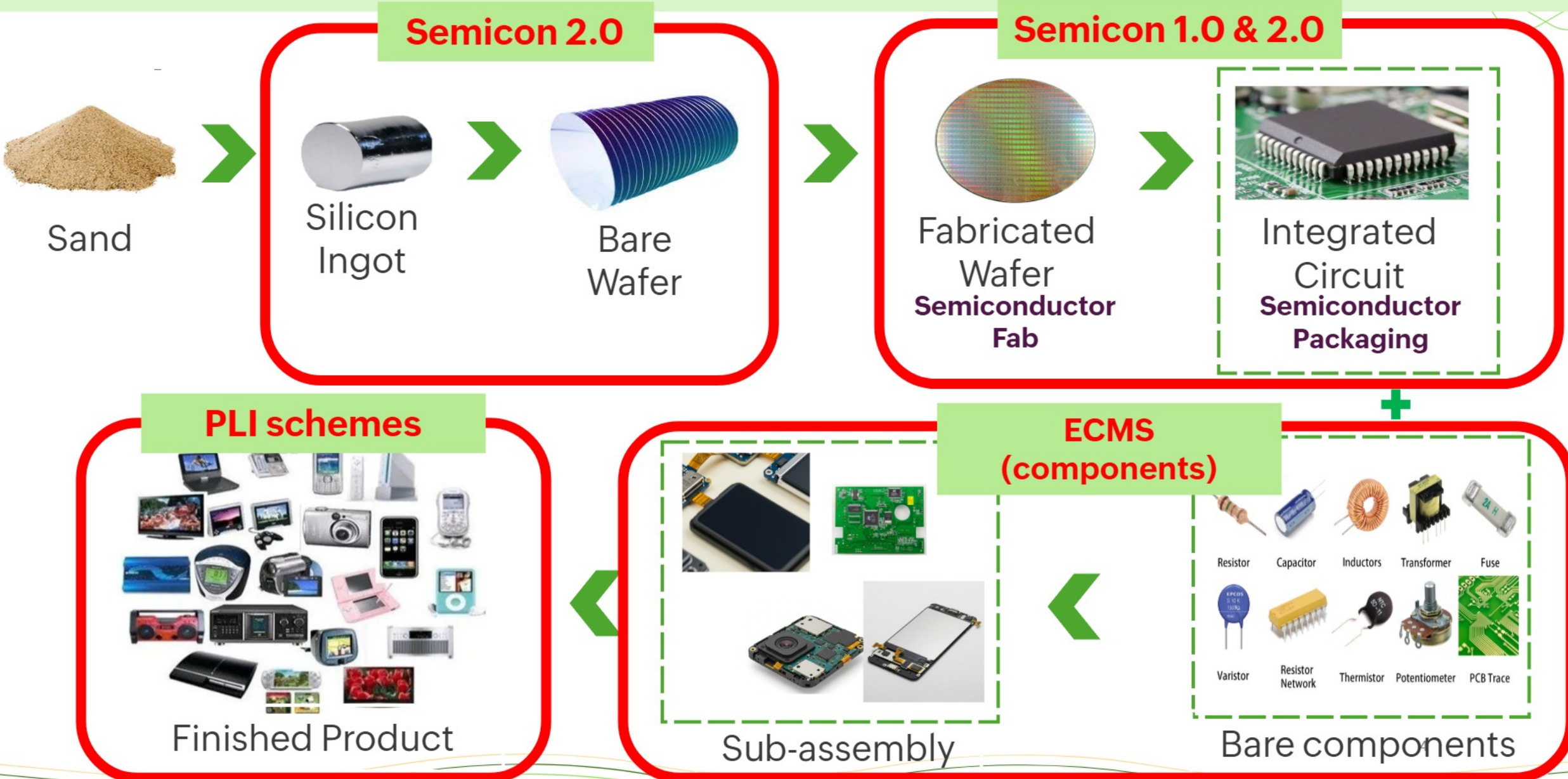


Semicon 2.0 (Rs 1,27,500 Cr)

Electronics manufacturing for Atmanirbhar Bharat

- **Electronics drives every strategic device:** missile to drone; tank to ship; computer to camera; X Ray to Cinema
- **World's largest single sub-sector in manufacturing**
- Clean factories, employment intensive, attracts youth

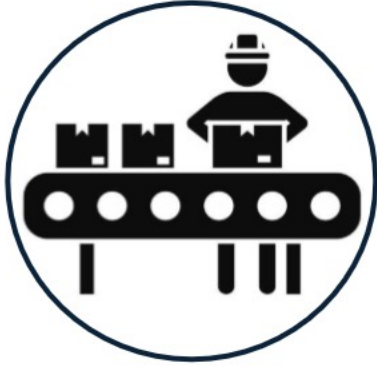
Electronics Manufacturing Value Chain



Electronics Manufacturing Growth (2014-26)

- **Electronics Production:** 7x, @CAGR of ~19%
- **Electronics Exports:** 11x, @CAGR of ~24%
- **Mobile Production:** 33x, @CAGR of ~37%
- **Mobile Exports:** 166x, @CAGR of ~59%
- India is now the world's **2nd largest** mobile phones manufacturer (volume)
- **99.2%** of the mobile phones being used in India are Made in India

Target set by Hon'ble PM = 500 Bn USD by 2030-31



Electronics
production
USD 500 Bn



Electronics
exports
USD 240 Bn



Employment
~60 Lakh

Electronics manufacturing can create 35 lakh more jobs

Micron plant: Sanand Commercial Production Started on 28.02.2026



Micron plant spread over 93 acres



Kaynes

Commercial Production started on 31.03.2026



Kaynes plant spread over 46 acres



CG Semi

Commercial Production started on 04.07.26



Tata plant, Jagiroad, Assam spread over 171 acres



Tata plant, Jagiroad, Assam



Tata Fab, Dholera: construction in full swing



Tata Fab, Dholera: spread over 163 acres

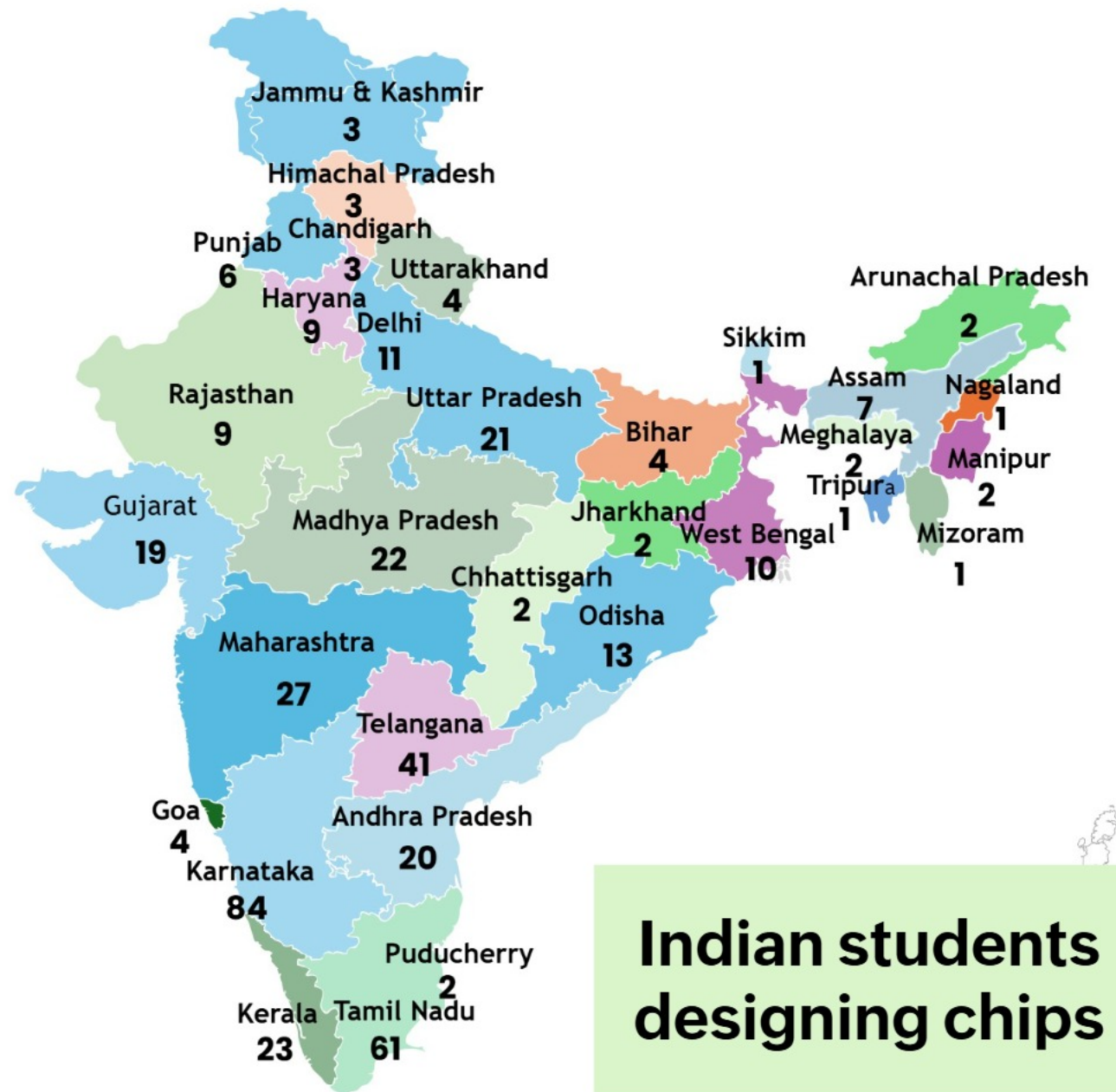


2 nm chips are now designed in India



Talent development

- Semiconductor design startups provided with EDA Tools: **105**
- Startups provided funding support: **24**
- **15 of these start-ups have received VC funding**
- EDA tools provided to **315 colleges**
- **70,000 students trained**
- **New Semiconductor Curriculum** adopted by **> 500 colleges**; over **8,000 students per year**
- Initiatives of project companies: Involves **technology partners, a pilot line, academic institutions, and utilizing North East Region talent for Tata OSAT**



**Indian students
designing chips**

Outreach: SEMICON India 2025



Ecosystem Development and Global Commitments

Country Partnerships

USA(2023), Pax Silica(2026)

European Union (2023)

Japan (2023)

Singapore (2024)

Netherlands (2025)

Germany (2026)

Investments announced



\$400 Million



\$400 Million



\$300 Million



\$1.1 Billion



\$400 Million



MoUs signed with TATA for Support

Semicon 2.0

- Cabinet today approved **Semicon India 2.0**
- Total outlay: **1,27,500 Cr**
- Focus on **fabs, advance packaging, materials, chemicals and gases, equipment, R&D, talent development**
- Special focus on talent, **design, materials, and equipment**
- Incentives on pari-passu basis

Six pillars of Semicon 2.0

#	Pillars	Segment	Govt Incentive
1	Design of chips	Strategic & commercial chips	Grant + equity co-investment or royalty based funding
2	Machines and materials	Equipment chemicals, gases, materials	30%
3	Setting up more Fabs	Silicon, display, compound, etc.	40% for silicon fabs, 35% for other fabs
4	Further strengthening the ATMP/OSAT industry	Advanced & legacy packaging	35% for advanced packaging 25% for conventional packaging
5	Research & Development	Advanced technologies	Up to 75% (centre+state)
6	Talent development	Design & manufacturing talent	Up to 75% (centre+state)

1(a) Design of Chips for Strategic Sectors

- **Development of Building Blocks:** Compute, Memory, RF, Power, Networking, Sensors
- **Identification of chips:** High-Level Expert Committee chaired by NSA & PSA
- **Indian companies to develop chips:** Consortium with MNCs, Academia, Startups
- **Use of mature platforms for faster design:** ARM, IBM Power, RISC-V, Open Source

1(b) Design of Chips for Commercial Sectors

- **Eligibility:** Startups, **Companies (owned by Indian citizens or OCIs)**
- **Financial support:**
 - **Startups/MSMEs:** Grant + Equity Co-investment
 - **Companies:** Royalty financing or Equity co-investment
- **Exit Options:** Equity Valuation **or** 1.5X of Royalty financing

2 (a) Machines

- **Manufacturing** of Equipment, Refurbished Equipment, Components
- **R&D** for Equipment, including Advanced Nodes
- **PLI** for sourcing of **inputs from domestic companies**
- **Supply chain development**
- **Financial support: 30% of Capex on pari-passu**

2 (b) Materials

- **Manufacturing: Chemicals, Gases, Materials**
- Ecosystem Development (150-500 items required)
- **Domestic Consumption and Exports**
- **Financial support: 30% of Capex on pari-passu**

3. Setting up more Fabs

a) Logic and Memory Fabs

- Capital-intensive (3-20 bn \$), Long gestation period
- **Financial support: 40% of Capex on pari-passu**

b) Compound Semiconductor, Display, Other Fabs

- Micro LED & Compound Semiconductor opportunity
- **Financial support: 35% of Capex on pari-passu**

4. Further Strengthening the ATMP/OSAT Industry

a) Advanced Packaging: 1 approved in Semicon 1.0
3D, 2.5D, Chiplets, Heterogeneous Integration, etc.

Financial support: 35% of Capex on pari-passu

b) Packaging: 10 approved in Semicon 1.0
Wire-bond, Flip Chip, Integrated System Packaging

Financial support: 25% of Capex on pari-passu

5. Research and Development

Development of Advanced Technologies

- i. Advanced Node ~ 7-3 nm path (same equipment)
 - ii. Silicon Photonics
 - iii. Advanced Packaging Technologies, etc
-
- **Incentive Ceiling: 75% (Centre & State together)**
 - **RDI & ANRF scheme will be leveraged**

6. Talent Development

Design	- Train 1 lakh Design Engineers in 5 years - EDA Tools & Infra support to institutions
Manufacturing • Fabrication • Packaging • Equipment • Materials	- Finalising training curriculum - Leveraging existing Infra - New training facilities with Industry & State - Tie-ups with global centres/institutes - Operators, Engineers, PhDs
• Incentive Ceiling: up to 75% (Centre & State together)	

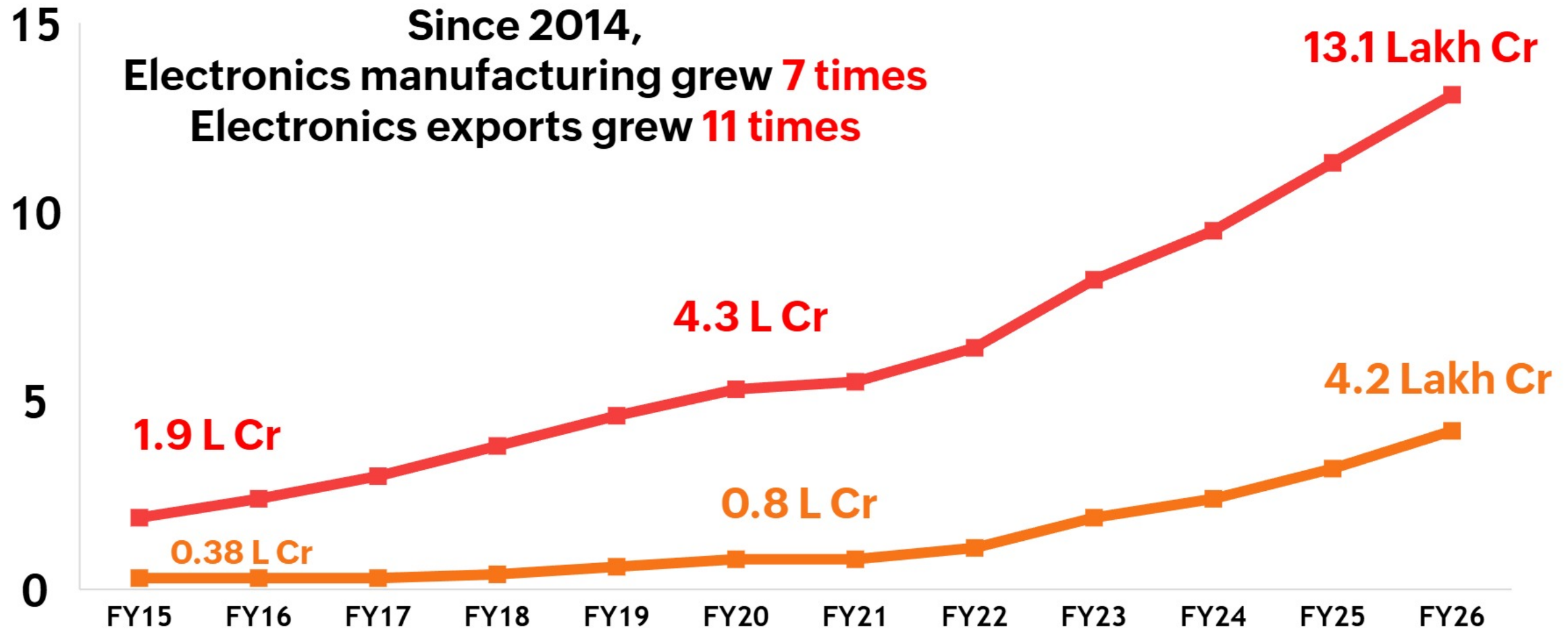
Semicon 2.0 - Expected Outcomes

- **Investment:** ~Rs 4 lakh Cr
- **Production:** ~Rs 2 lakh Cr
- **Export:** ~Rs 1 lakh Cr



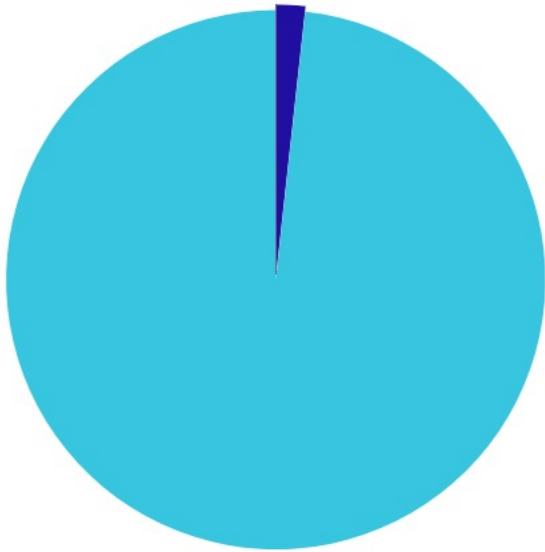
Mobile Phone Manufacturing Scheme (MPMS) (Rs 62,500 Cr)

Outcome of policy support



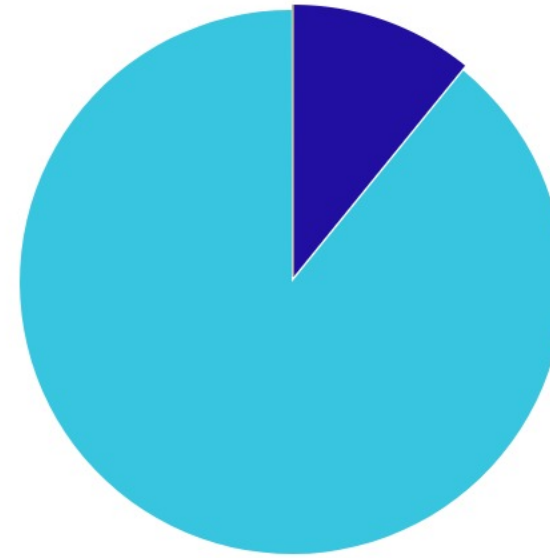
Outcome of policy support

Merchandise exports 2014-15
Total \$310 Billion; Electronics \$5.4 Billion



Electronics exports
was merely **1.7% in**
2014-15

Merchandise exports 2025-26
Total \$442 Billion; Electronics \$48 Billion



Electronics exports
is now **~11% in**
2025-26

PLI 1.0: Performance

Category	Target for 5 years (Cumulative)	Actual reported till March 2026 (Cumulative)
Investment (Rs Cr)	7,000	20,587 (294%)
Production (Rs Cr)	8,12,550	11,61,581 (142%)
Exports (Rs Cr)	4,87,530	6,43,323 (132%)

Mobile phones driving India's Electronics growth

Ranking in exports	2014-15	2025-26
Ranking of Electronics among all export categories	9 th	3 rd
Ranking of Smartphones among all single export commodities	Not in top 100	1 st

Share of mobile phones in electronics	2014-15	2025-26
Share in electronics manufacturing	~10%	48%
Share in electronics exports	~4%	61%

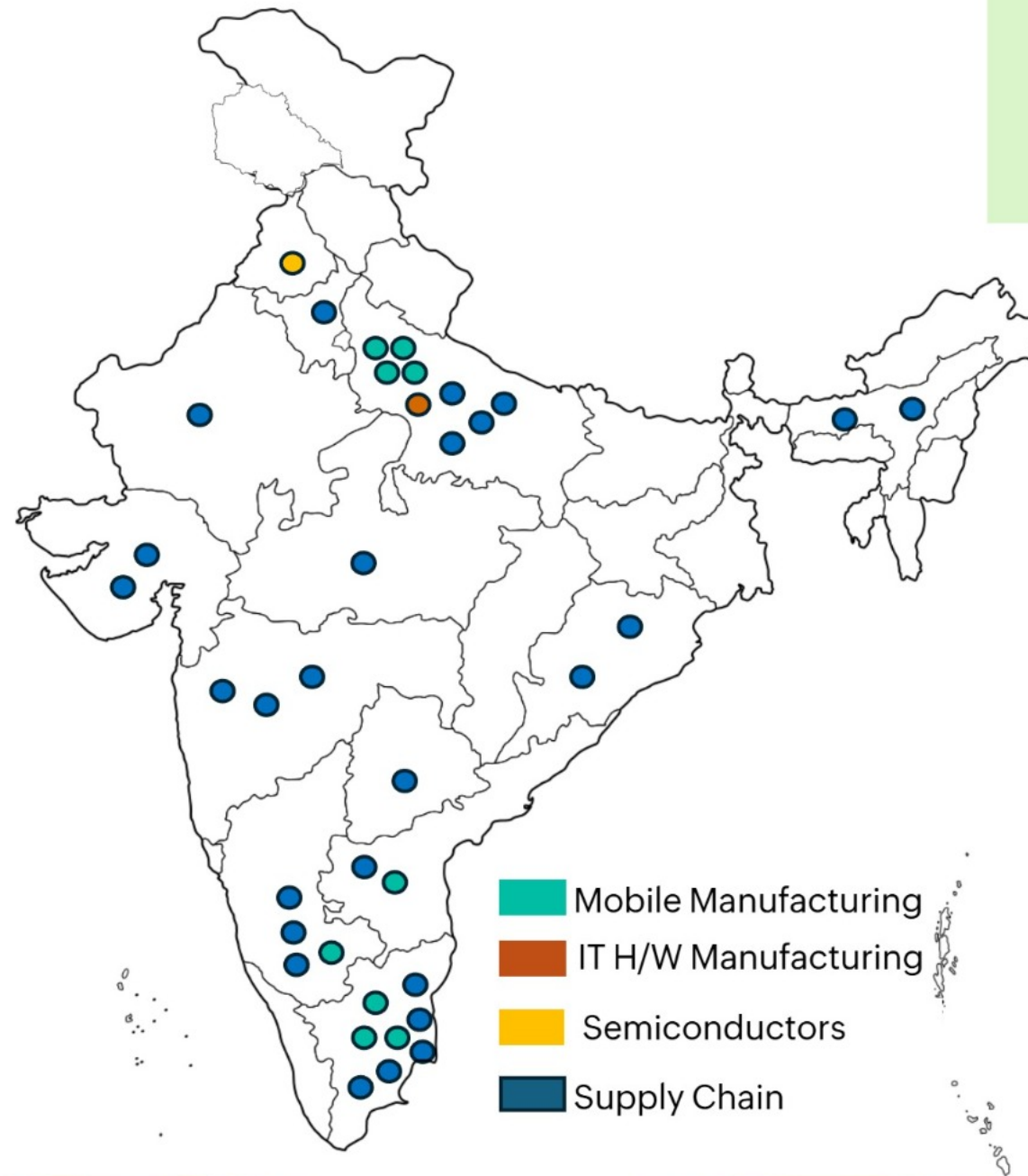
Mobile phones are driving the development of electronics manufacturing ecosystem

Mobile manufacturing ecosystem in 2014 ~2 units



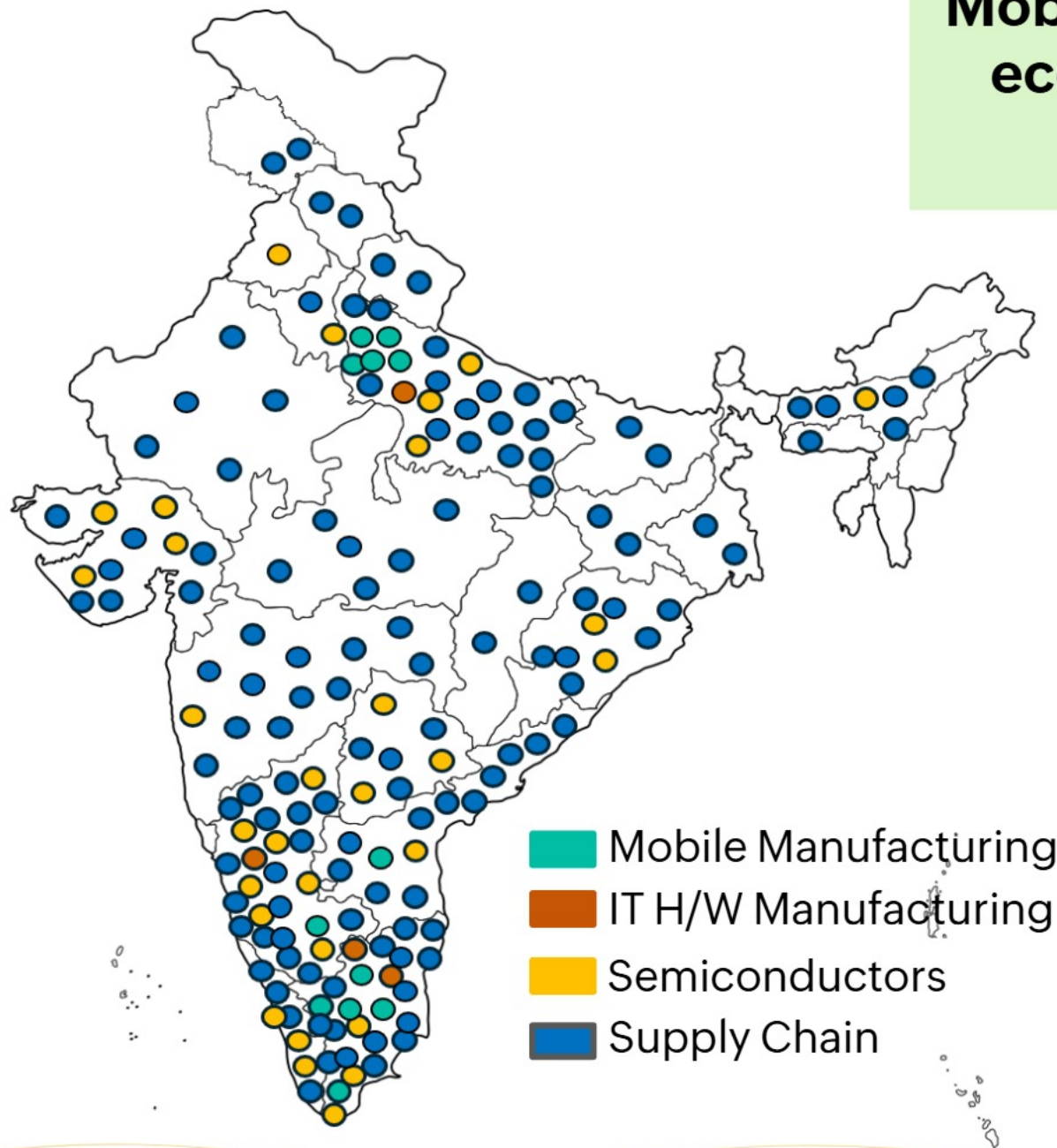
Mobile manufacturing ecosystem in 2020

~35+ units



Mobile manufacturing ecosystem in 2026

~300+ units



Factory in Bengaluru: 35,000 employees



Factory in Kolar: 26,000 employees



Factory in Hosur: 25,000 employees



Safe and hygienic workplace



Around 60% employees are women



Mobile manufacturing

- Total mobile phones manufactured: **Approx 125 Cr**
- India now **second largest mobile manufacturing ecosystem**
- **99.2% of total mobile phones used in India are 'Made in India'**
- Total additional employment created: **12 Lakh**
- PLI incentive disbursed: **Rs 19,090 Cr**
- Total direct tax collected: **Approx Rs 25,000 Cr**
- Total GST collected: **Approx 3,00,000 Cr**
- Total investment in electronics ecosystem: **14 billion dollars**

Next phase of growth

- Companies continue to make significant investments in India's mobile manufacturing sector
- **Future growth to come from exports primarily**
- Policy support is essential to enhance global competitiveness to:
 - Sustain present momentum
 - Deepen the mobile manufacturing supply chain
 - **Build an Indian mobile brand**
 - Generate employment

Mobile Phone Manufacturing Scheme

- **Cabinet today approved Mobile Phone Manufacturing Scheme**
- Total outlay: **Rs 62,500 Cr**
- Duration: **5 years (from FY 2026-27 to FY 2030-31)**
- Incentives for domestic sourcing
- Incentive for design and R&D for **Indian brands**

MPMS: Incentive Structure

- **Differentiated incentive ranging from 2.25% to 5%**
- For Indian Brands: **@5%**
- Additional incentives: **upto 1.5% on domestic sourcing** of key components/ sub-assemblies
- Additional incentive **@3% on Indian design and R&D** for Indian Brands

Indian mobile brand

- **Must have an Indian brand serving the global market**
 - Technological sovereignty
 - Greater economic value
 - Build IPs through patent creation, R&D and innovation
 - **Aatmanirbharta**

MPMS expected outcomes

- **Mobile Production:** To reach **Rs ~39 lakh Cr** cumulative in MPMS period against Rs 22 lakh Cr during PLI
- **Mobile Exports:** To reach **~Rs 15 lakh Cr** cumulative against Rs 7.5 lakh Cr in PLI
- **Direct Jobs:** Generate **60,000 direct jobs** in mobile manufacturing and allied sectors

