



GLOBAL
DEMAND

सत्यमेव जयते

EMBASSY OF INDIA
BRUSSELS

SEMICON
2.0

FABRICATION
LEADERSHIP

GLOBAL
SUPPLY
CHAIN

MAKE IN
INDIA

TECHNOLOGY
HUBS

Future Ready

SEMICONDUCTOR
POLICIES

GLOBAL
SUPPLY
CHAIN

INNOVATION

THE INDIA CONNECT

SEPTEMBER 2026

From the Ambassador's Desk



We are pleased to bring to you the September edition of *The India Connect*.

This edition focuses on India's semiconductor and electronics sectors, with special coverage of the India Semiconductor Mission (ISM) and its evolving role in strengthening India's position in the global semiconductor value chain.

India had launched Semicon 1.0 in 2021 dedicated mainly to establishing domestic semiconductor manufacturing capabilities. Most recently, on 15 July 2026, the Government of India has approved Semicon 2.0, which moves beyond manufacturing alone and focusses on building the entire ecosystem ranging from equipment and materials, chip design and IP, R&D, talent development and resilient supply chains, to build a more robust and globally integrated semiconductor manufacturing base in India.

In this edition of our newsletter, we also bring to you insights about business opportunities in India's western state of Gujarat, which is one of the leading industrial and investment destinations in India today.

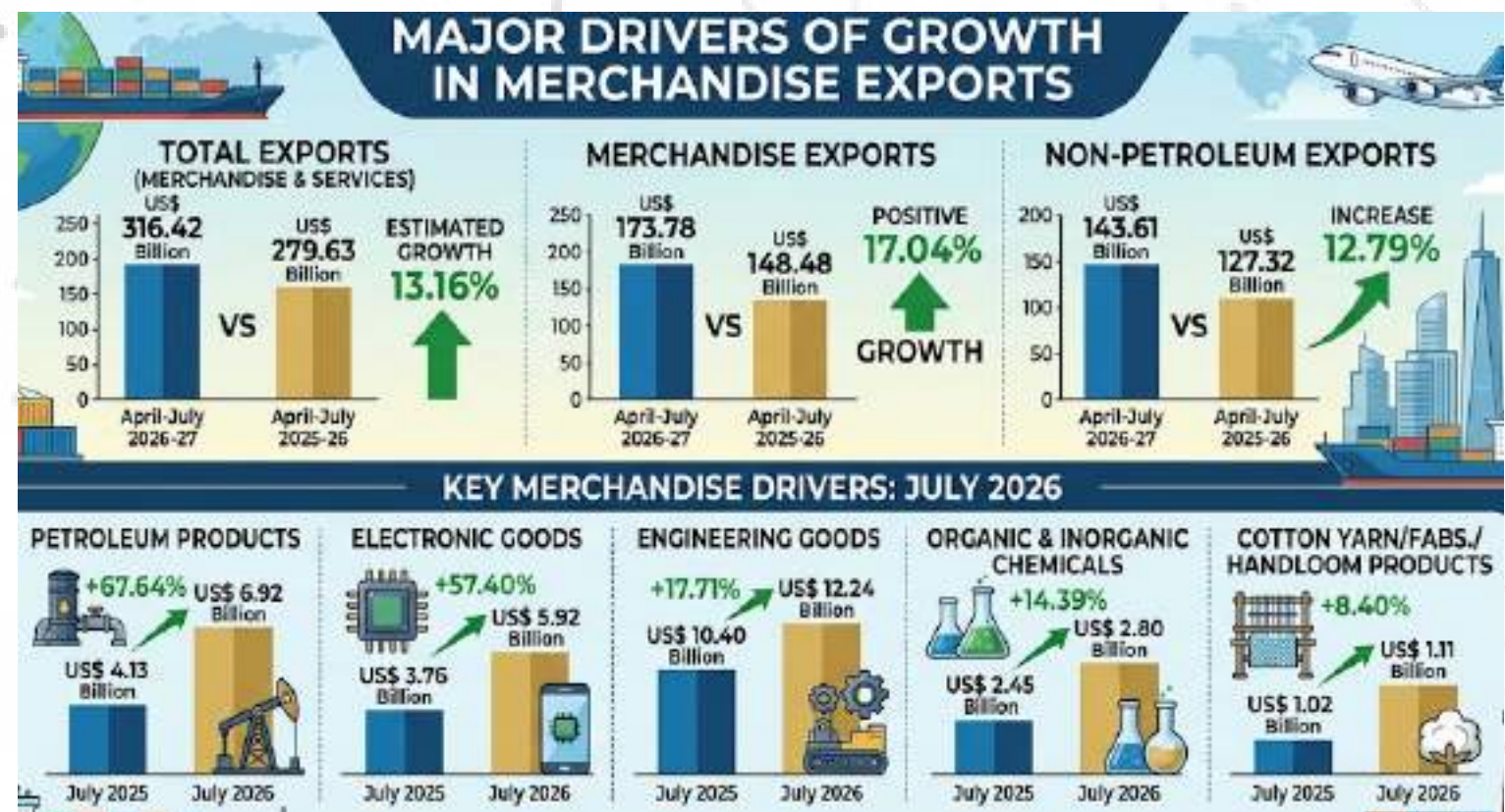
As the European summer comes to a close, we hope you had a pleasant holiday. We hope you will find this edition of our newsletter useful and informative. As always, we look forward to receiving your comments and feedback.

Pranay Verma

THE INDIA BRIEF - RECENT UPDATES

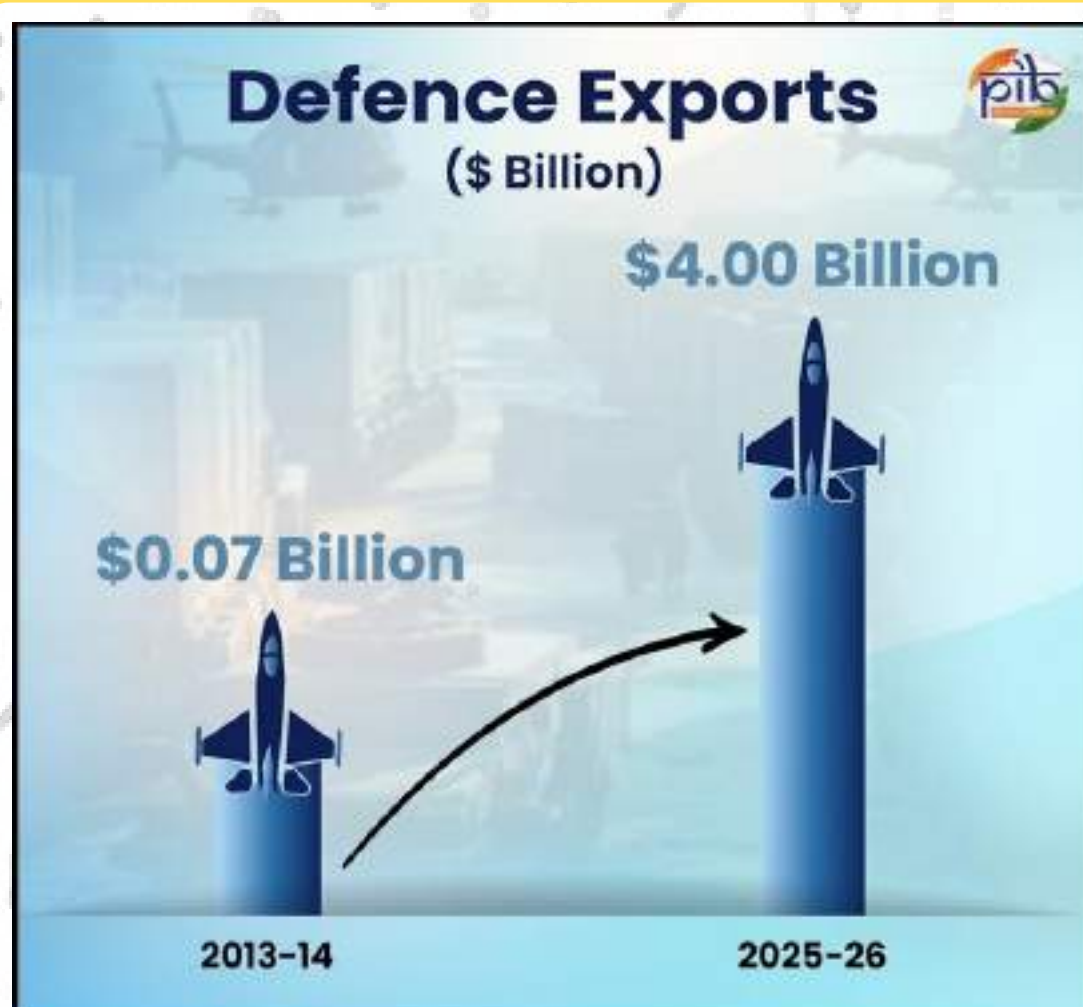
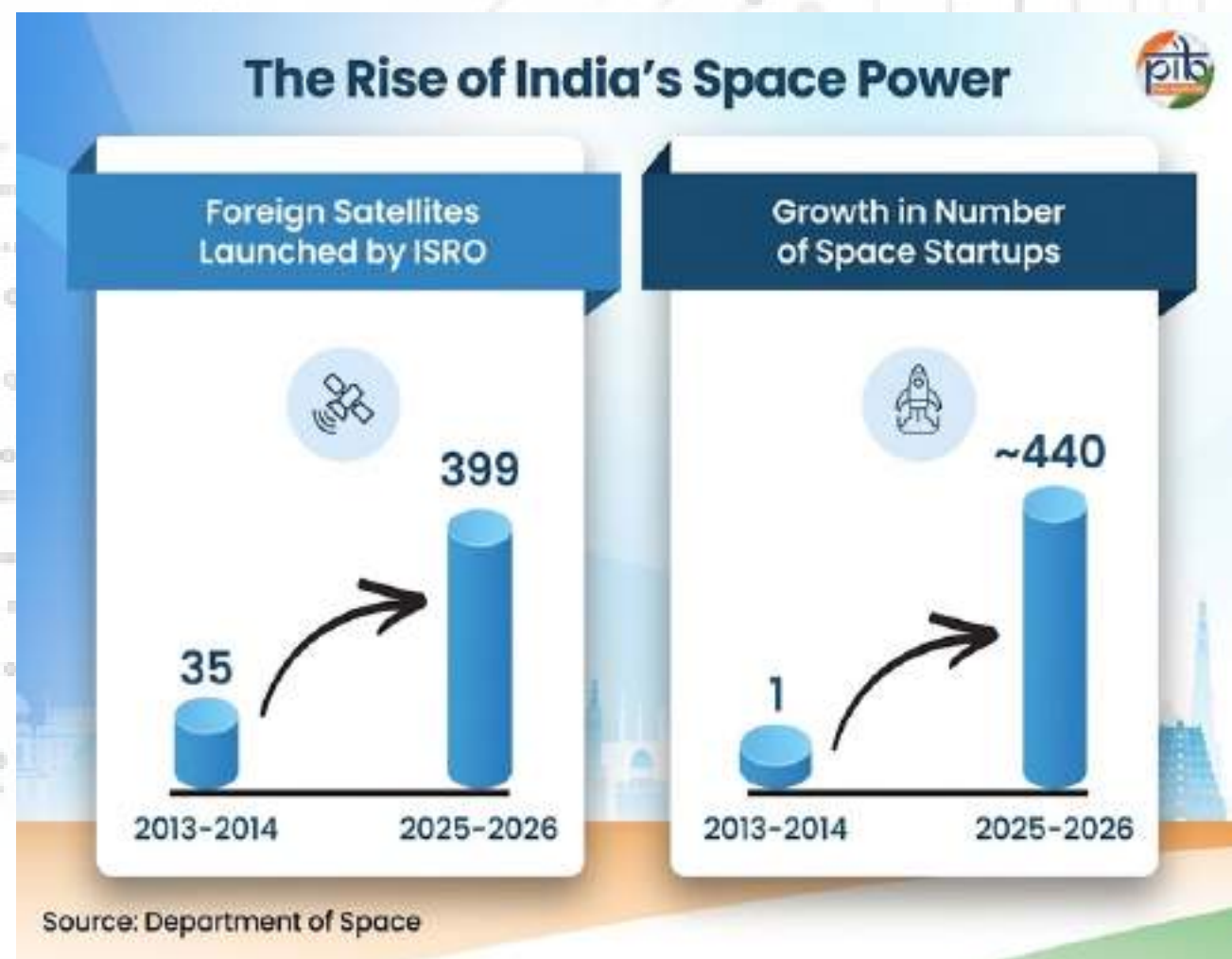
India's Trade Performance

Exports (merchandise and services) during April-July 2026-27 is estimated to grow by 13.6% US\$ 316.42 bn, as compared to US\$ 279.63 bn in April-July 2025-26



India's Space Sector Initiative

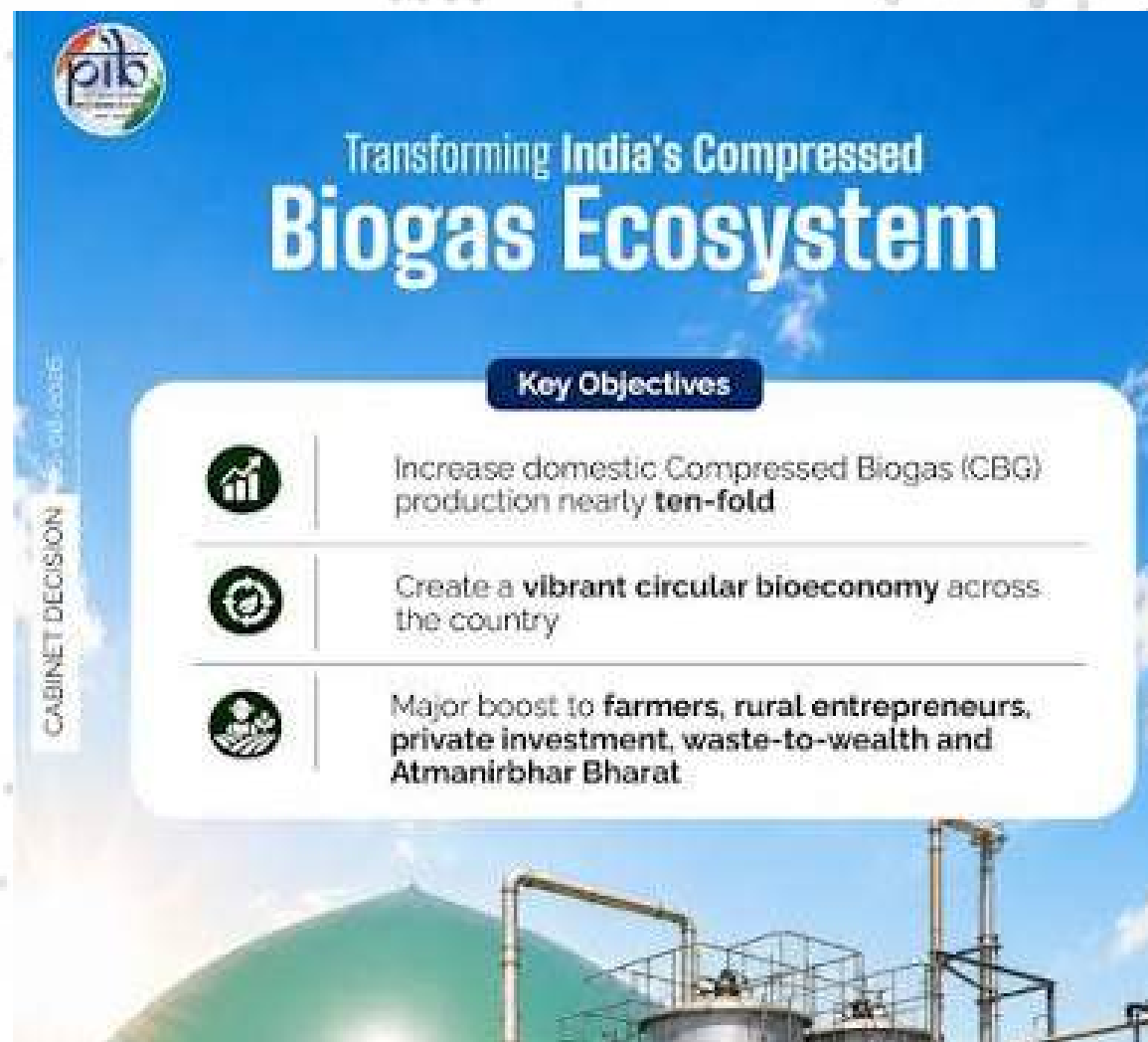
- Government showcased India's US\$ 9 bn space ecosystem through landmark reforms, surge in private investment, and rapidly growing startups.
- 113 authorisations had been granted for satellite operations, payload establishment and launch services till July 2026.



India's Defence Self-Reliance

- 3.1 - Fold Growth in Defence Budget and 2.3 - Fold Growth in Capital Expenditure
- Government allocated US\$ 81.8 billion in the 2026 - 27 budget to expand indigenous manufacturing and modernise armed forces.
- Defense production reached US\$ 18.55 billion

THE INDIA BRIEF - RECENT UPDATES

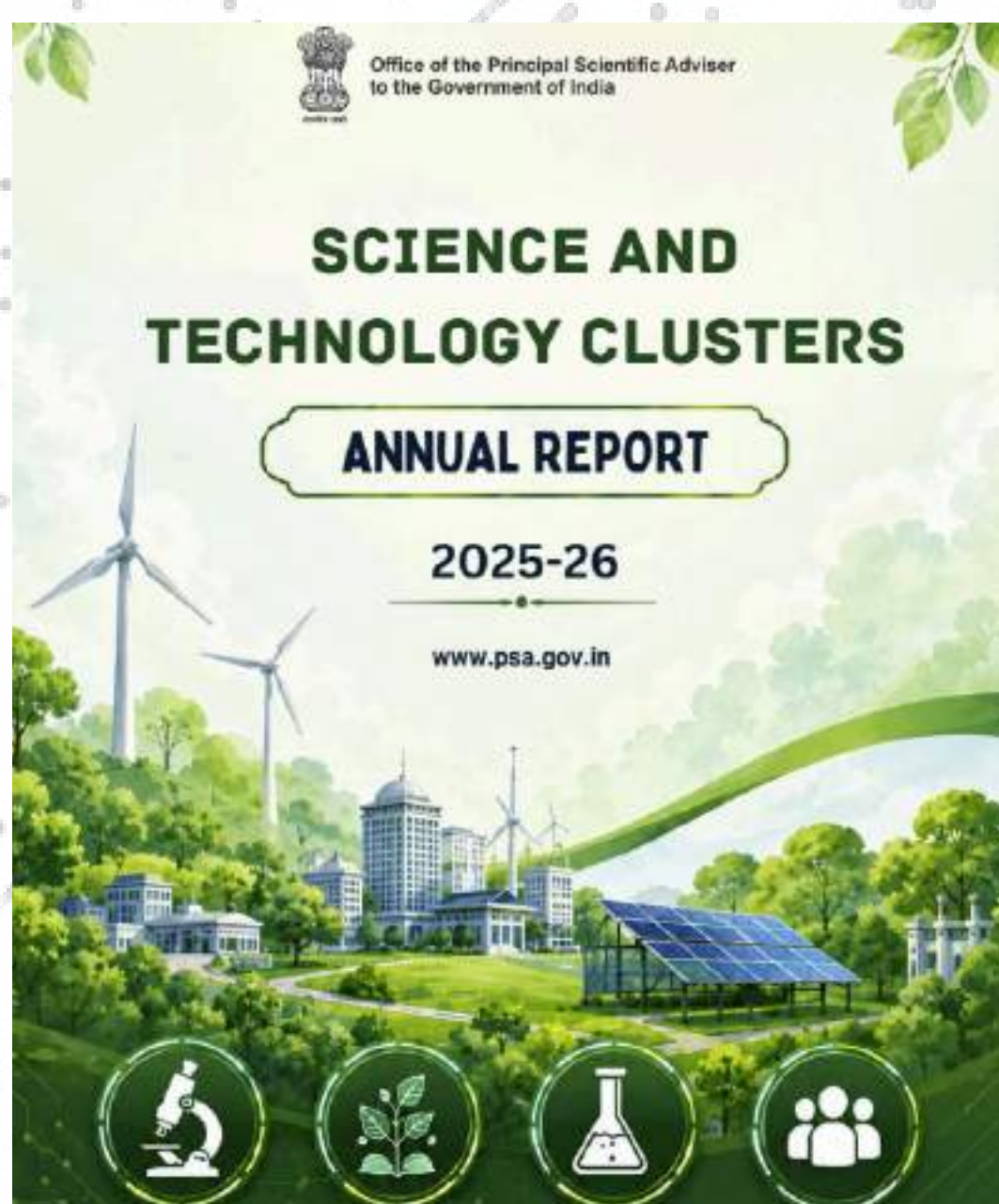


National Circular Bioenergy Scheme

- Cabinet approved the GOBARdhan scheme with an outlay of US\$ 2.47 billion to establish compressed biogas as a clean energy pillar.
- Aims to scale domestic production ten-fold, convert biomass to clean fuel, boost energy security, and lower greenhouse emissions.

A decade of India's UPI

- From Aug 2016 - July 2026, UPI has 741 banks with 23.66 billion amounting to total transaction value of US\$ 311.31 billion
- Digital payments are projected to be 67% of India's online transaction value by 2027 (Worldpay Report 2024)



S&T Clusters Annual Report

- Office of the PSA launched the S&T Clusters Annual Report 2025-26 to showcase regional innovation ecosystems operating as National Technology Accelerators.
- Aims to drive technology translation, strengthen industry partnerships, support startups, and foster key global scientific collaborations.

DEEP DIVE: SEMICONDUCTORS AND ELECTRONICS

Background

- India's semiconductor sector is emerging as a strategic pillar for technology and manufacturing ambitions, driven by strong policy support, global partnerships and rising investments.
- The semiconductor market is projected to reach US\$ 100 - US\$ 110 billion by 2030.



इंडिया सेमीकंडक्टर मिशन
India Semiconductor Mission
Catalyzing India's Semiconductor Ecosystem

- The push in the Semiconductor industry is due to the launch of India's Semiconductor Mission (ISM) in 2021.
- It operates as a division under the Digital India Corporation within the Ministry of Electronics and Information Technology (MeitY).

- ISM aims to build a semiconductor ecosystem and focus on fabrication, packaging, testing, and chip design.
- The vision is to make India a global hub for electronics manufacturing, design and create supply critical components for automobiles, telecommunications, aerospace, power electronics and consumer electronics.

- To meet future workforce requirements, the Government has prioritised semiconductor skilling through initiatives such as Chips to Startup (C2S).
- 24 semiconductor design projects have also been approved for financial support and 105 startups/MSMEs for EDA tool support under Design Linked Incentive (DLI) Scheme.

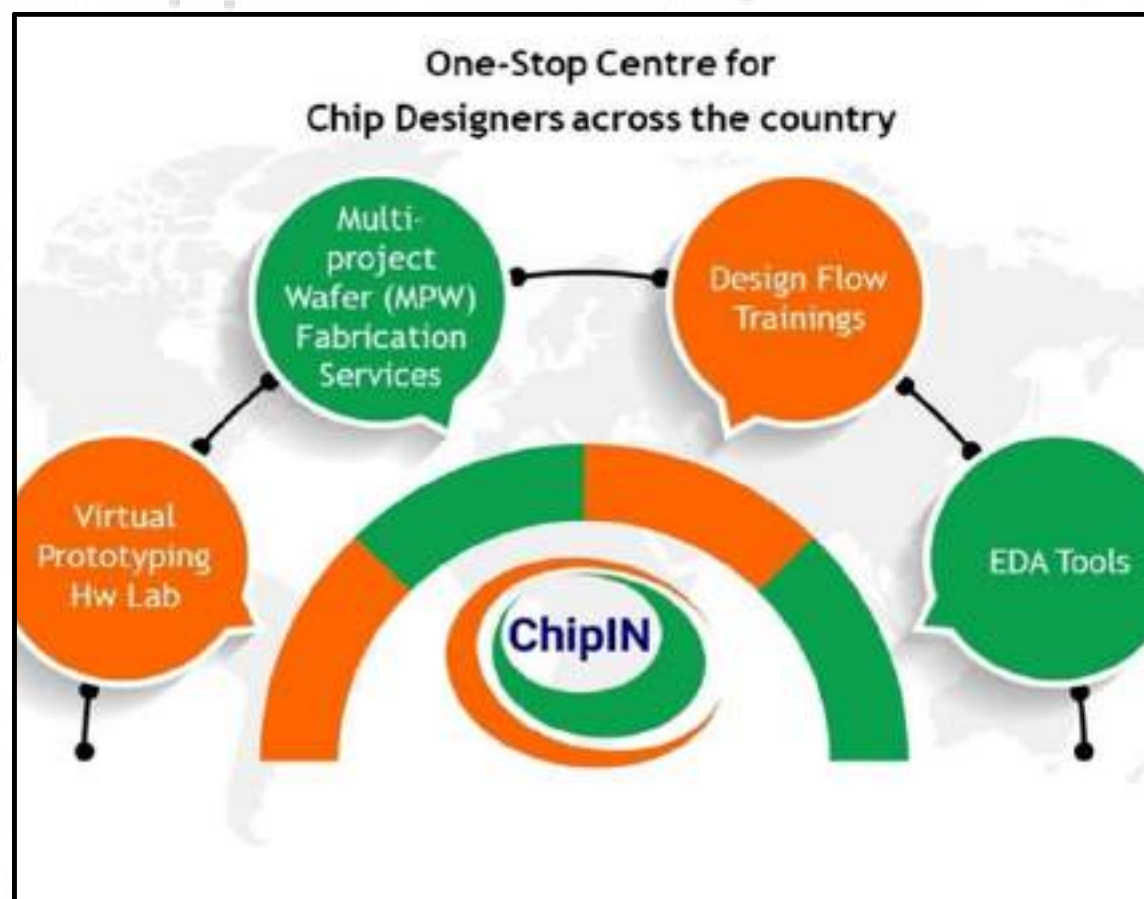
CHIPS TO STARTUP (C2S)
Building India's Semiconductor Workforce

- 85,000 Students Across India
- Bachelors | Masters | Research
- Specialized in Semiconductor Chip Design

BUILD THE CHIP THAT POWERS TOMORROW

- Global partnerships with the United States, Japan, the Netherlands, Singapore, and the European Union are strengthening technology collaboration and ecosystem development.

- MeitY has set up ChipIN Centre at C-DAC, Bengaluru dedicated to services for the semiconductor design community in India.
- The facility acts as one-stop centre to provide semiconductor design tools, fab access, virtual prototyping and hardware lab access to start-ups/MSME and academia.



Schemes under ISM

1. Semiconductor Fabs Scheme
Provides up to 50 per cent fiscal support for setting up semiconductor wafer fabrication units, covering advanced and mature technology nodes.

2. Display Fabs Scheme
Offers up to 50 per cent financial support to establish AMOLED and LCD display fabrication units in India.

3. Compound Semiconductors and ATMP/OSAT Scheme
Supports compound semiconductor and chip assembly, testing and packaging units with up to 50 per cent capital assistance.

4. Design Linked Incentive Scheme
With an outlay of \$104.22 million, supports chip design startups and MSMEs through R&D support and incentives of up to \$1.56 million per company.

(1 USD = 95.95 Rs.)

Issued by: India Semiconductor Mission (ISM)

www.ism.gov.in

Projects under ISM- As of Dec 2025

APPROVED SEMICONDUCTOR MANUFACTURING PROJECTS IN INDIA

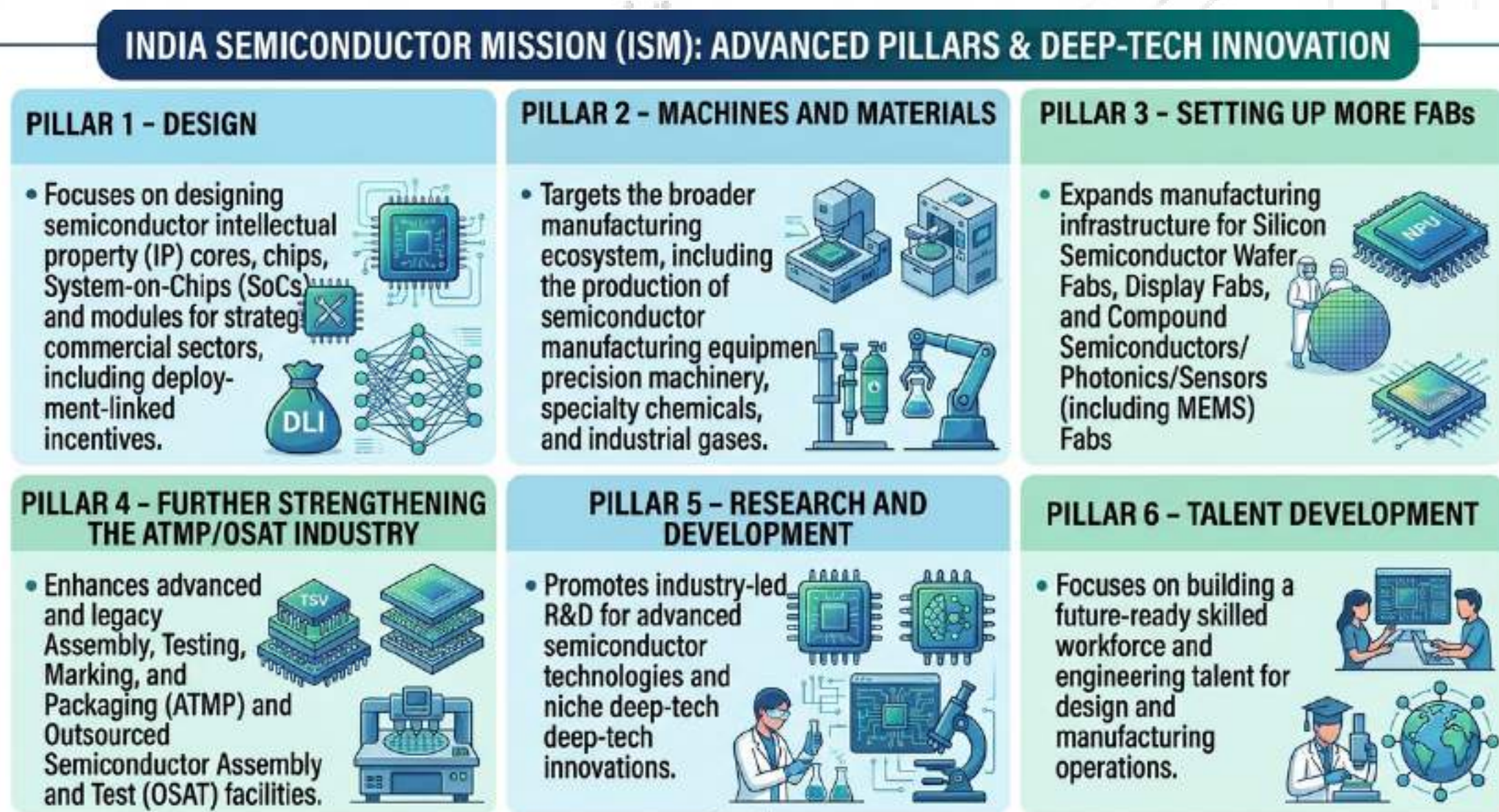
- 1 Micron Technology Inc. | Gujarat**
Facility for DRAM & NAND Assembly & Test
Capacity: ~14 Million units/week
- 2 Tata Electronics Private Limited (TEPL) | Gujarat**
Semiconductor Fab (Technology partner: PSMC, Taiwan)
Capacity: ~50,000 WSPM
- 3 Tata Electronics Private Limited (TEPL) | Assam**
Indigenous Semiconductor Packaging Technologies
Capacity: 48 Million units/day
- 4 GC Power and Industrial Solutions Limited | Gujarat**
Joint Venture with Renesas Electronics & STARS Microelectronic | Technology from Renesas (Japan) & STARS
Capacity: ~15.07 Million units/day
- 5 Kaynes Technology India Limited (KTIL) | Gujarat**
Wire bond Interconnect, Substrate Based Packages | Technology by ISO Technology Sdn. Bhd. & AOI Electronics
Capacity: ~6.33 Million chips/day
- 6 Vama Sundari Investments (Delhi) Private Limited (VSIPL) | Uttar Pradesh**
Display driver ICs (DDIC) using Gold (Au) Bump | Technology by Hon Hai, Taiwan | Joint Venture with Foxconn, India
Capacity: ~20K wafers/month / 36 million chips/month
- 7 3D Glass Solutions Inc. (3DGS) | Odisha**
Assembly of Packaged Products: FCBGA, RF SIP, AIP SIP, Glass Interposers, 3DHI Modules
Capacity: ~5800 panels/month, 4.20 Million units/month, 1100-30BI units/month
- 8 SICSem Private Limited | Odisha**
Technology partnership: Clas-SIC Wafer Fab & Continental Device India | SIC Fab and Packaging
Capacity: 5,000 wafers/month, 8 Million units/month (Packaging)
- 9 Continental Device India Private Limited (CDIL) | Punjab**
Expanding facility for High-Power Discrete Semiconductor Devices (MOSFETs, IGBTs, etc.) in Silicon & SiC
Capacity: ~158.38 Million units/annum
- 10 Advanced System in Package Technologies Private Limited (ASIP) | Andhra Pradesh**
Technology partnership: APACT Co. Ltd, South Korea | Semiconductor Manufacturing Facility
Capacity: ~96 Million units/annum

SEMICON INDIA PROGRAMME 2.0

- ISM is a long-term, sustained policy support for the sector rather than a one-off scheme.
- The union budget of 2026 - 27 allocated US\$13.3 billion for Semicon 2.0.
- The target is roughly 70-75% domestic applications by 2029, with India's first fab expected to be commissioned in 2028.

- The approved projects - **Micron Technology ATMP facility**, **Kaynes Semicon OSAT facility** & **CG Power / CG Semi OSAT facility** have commenced commercial production in **Sanand, Gujarat**.
- Projects span silicon fabs, compound semiconductor fabs, display fabrication and advanced packaging.

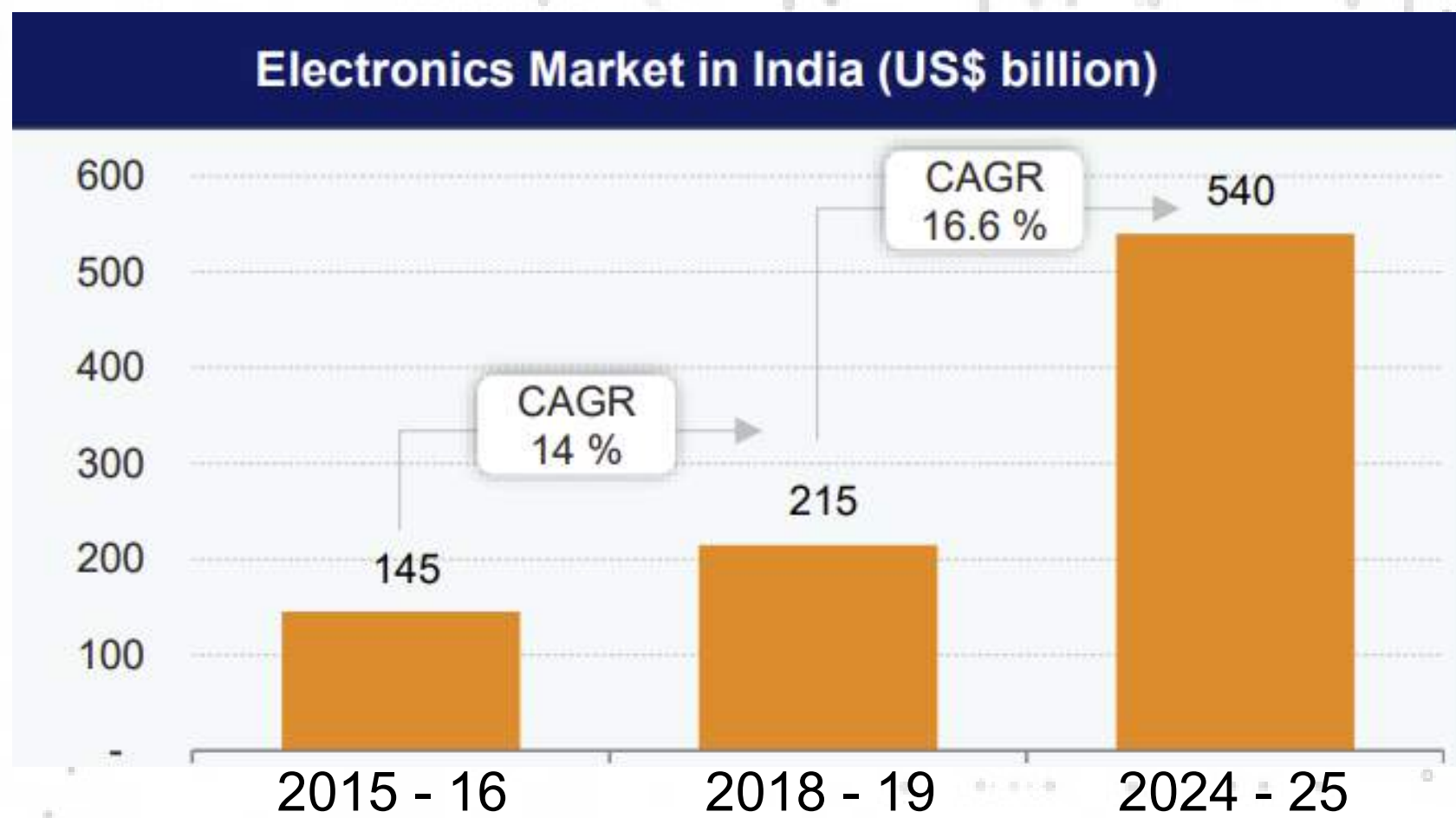
Six pillars of Semicon 2.0



- Partnerships exist with the US, The Netherlands, Japan, Singapore and the EU on technology collaboration.
- The "Investors Support Portal" has been setup to facilitate dissemination of information on Government schemes, policies, approved projects & compliance.

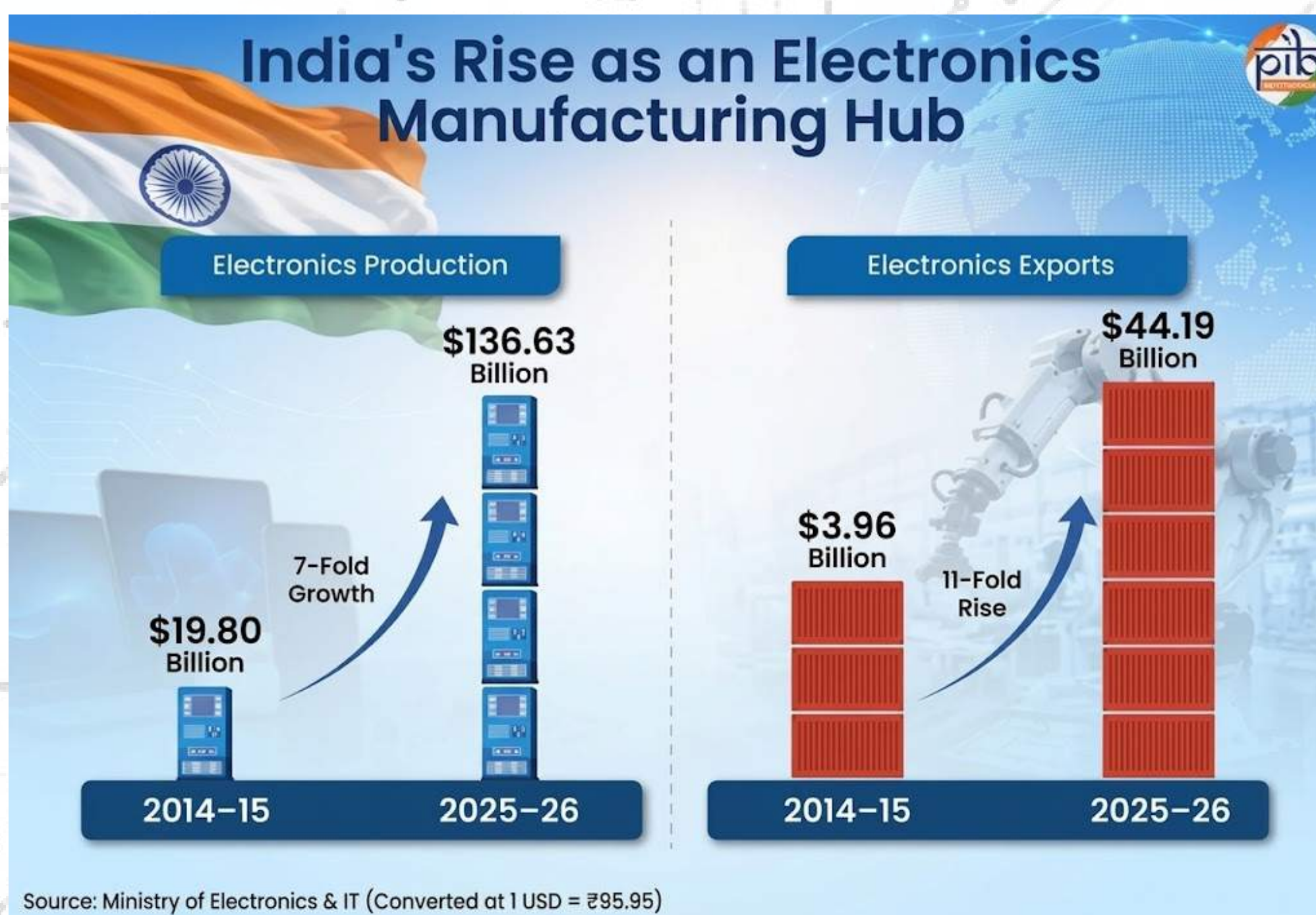
- Electronic Design Automation (EDA) tools have been deployed in 320 academic institutions and over 68,000 students trained. 211 chips were taped out by 75 institutions by April 2026.
- 7 chips have been successfully fabricated at various nodes including advanced nodes such as 12 nm.

ELECTRONICS SECTOR



- The electronics sector accounts for **3.4% of GDP** and has created nearly **2.5 million jobs** in the past decade.
- It is now the **3rd largest** export category.

- Electronics **exports** have grown **11 times** from US\$ 3.96 billion in 2014-15 to US\$ 44.19 billion in 2025-26.
- Electronics **production** increased from US\$ 19.8 billion in 2014-15 to US\$ 136.63 billion in 2025-26, nearly a **seven-fold rise**.



Women account for nearly **30%** of the total workforce created in the **electronics manufacturing** sector over the **last decade**. In the **mobile phone manufacturing** segment, **women** constitute nearly **70%** of the direct workforce, making it one of the **country's most women-intensive** manufacturing sectors.

ELECTRONICS SECTOR

Electronics System Design & Manufacturing (ESDM)

- **ESDM industry includes** electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics
- The industry **also includes design-related** activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems

ESDM landscape in India - Key Players & Clusters



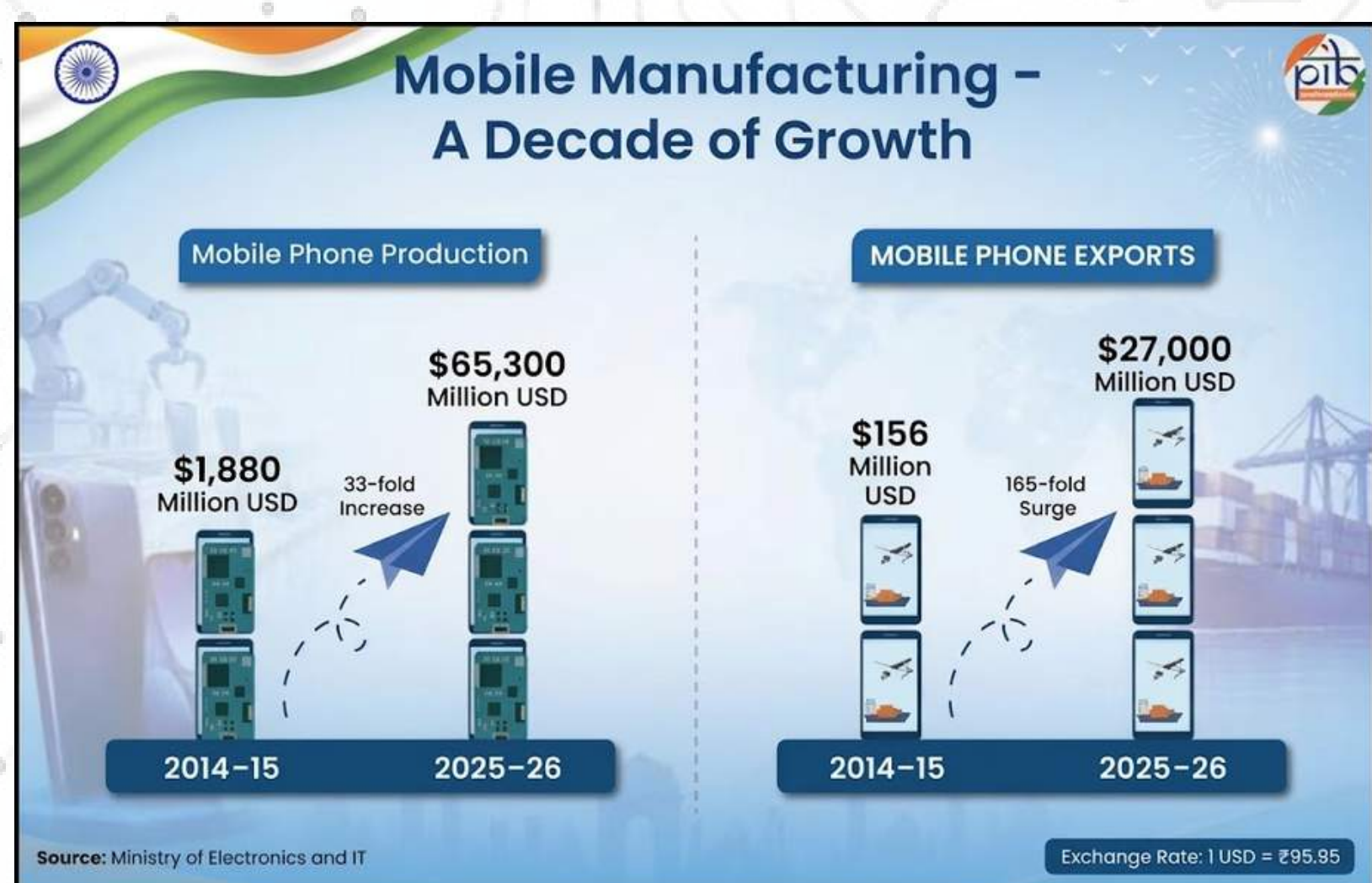
With electronics exports already emerging as a major export category, India is targeting a \$500 billion domestic electronics manufacturing ecosystem and \$150 billion in electronics exports by 2030 to become a globally competitive electronics manufacturing and export hub.



- **Electronics Component Manufacturing Scheme (ECMS)** is strengthening domestic capacity across critical electronics components and materials.
- The Union Budget **2026–27** increased the ECMS outlay to **\$4.17 billion**.
- The **cumulative FDI equity inflow** in the Electronics industry is **US\$ 8.03 billion** during the period April 2000- March 2026
- The government allows **100% FDI in the ESDM sector** and **74% FDI for defence electronics** through an automatic route to attract investments.

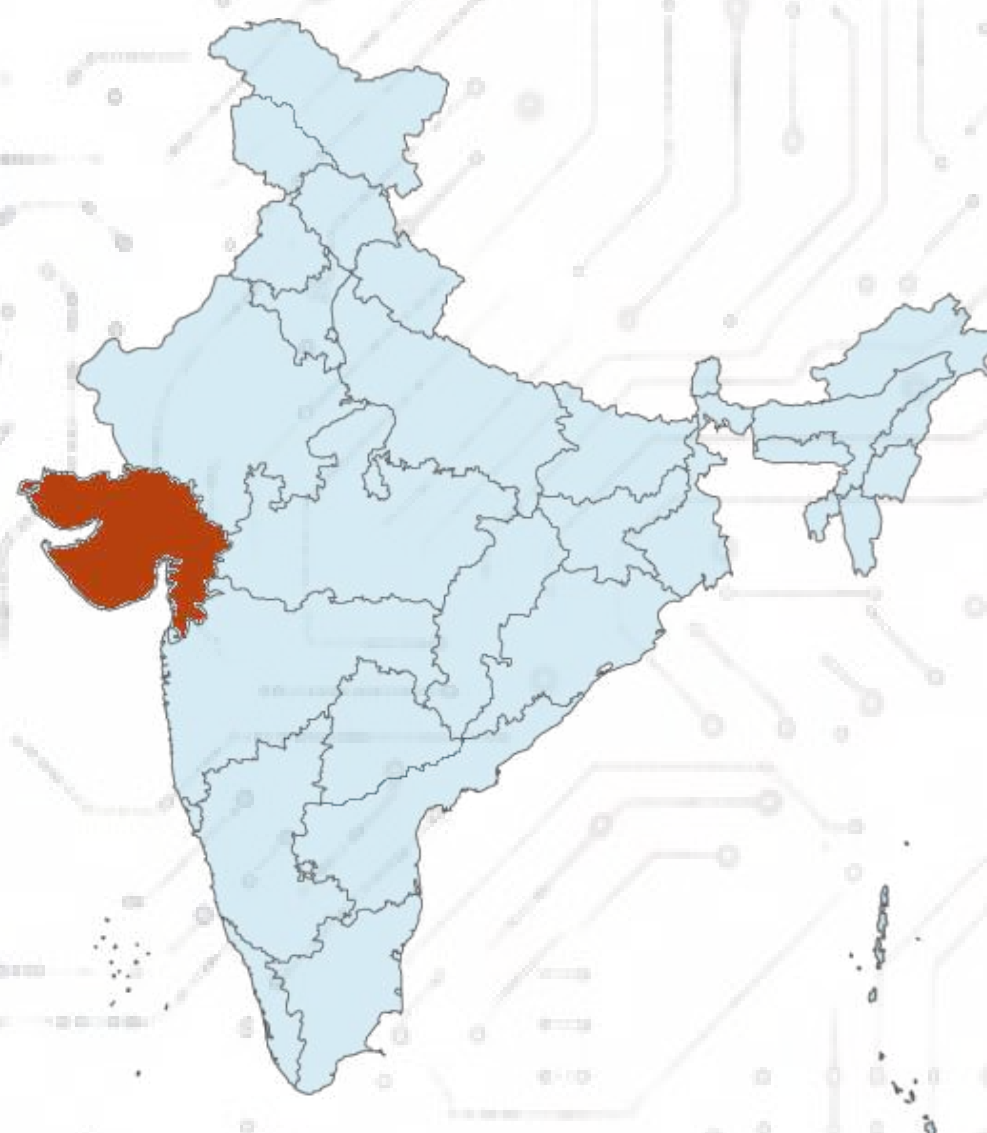
Mobile Phone Manufacturing

- It has emerged as the anchor of India's electronics revolution.
- The Mobile Phone Manufacturing Scheme (MPMS) has a budgetary outlay of **US\$ 6.5 billion**.



India is the **world's second-largest** mobile phone manufacturer, with production rising from **US\$ 1.88 billion** in 2014-15 to **US\$ 65.3 billion** in 2025-26. **Exports** increased from **US\$ 156 million** to **US\$ 27 billion** over the same period.

STATE IN FOCUS: GUJARAT



GATEWAY TO INDIA'S GROWTH STORY

- 5% population, 6% geographical area, 8.2% of India's GDP
- GSDP in FY 2024-25: \$ 329.7 billion
- Per-capita GSDP: \$3,806 FY 2024-25

ECONOMIC STRENGTHS

- Ranked '**High Performer**' in **LEADS** 2025 (Logistics Ease Across Different States) rankings by DPIIT
- **FDI inflows: \$ 73.9 billion** (2020-2025)
- **Exports: \$100.7 billion** worth of goods in FY 25-26; **25%** of all Indian exports
- Hosts **Gujarat International Financial Tech (GIFT) City**, **Dholera Special Investment Region (DSIR)** and **Mandal Becharaji Special Investment Region (MBSIR)**

GATEWAY FOR TRADE

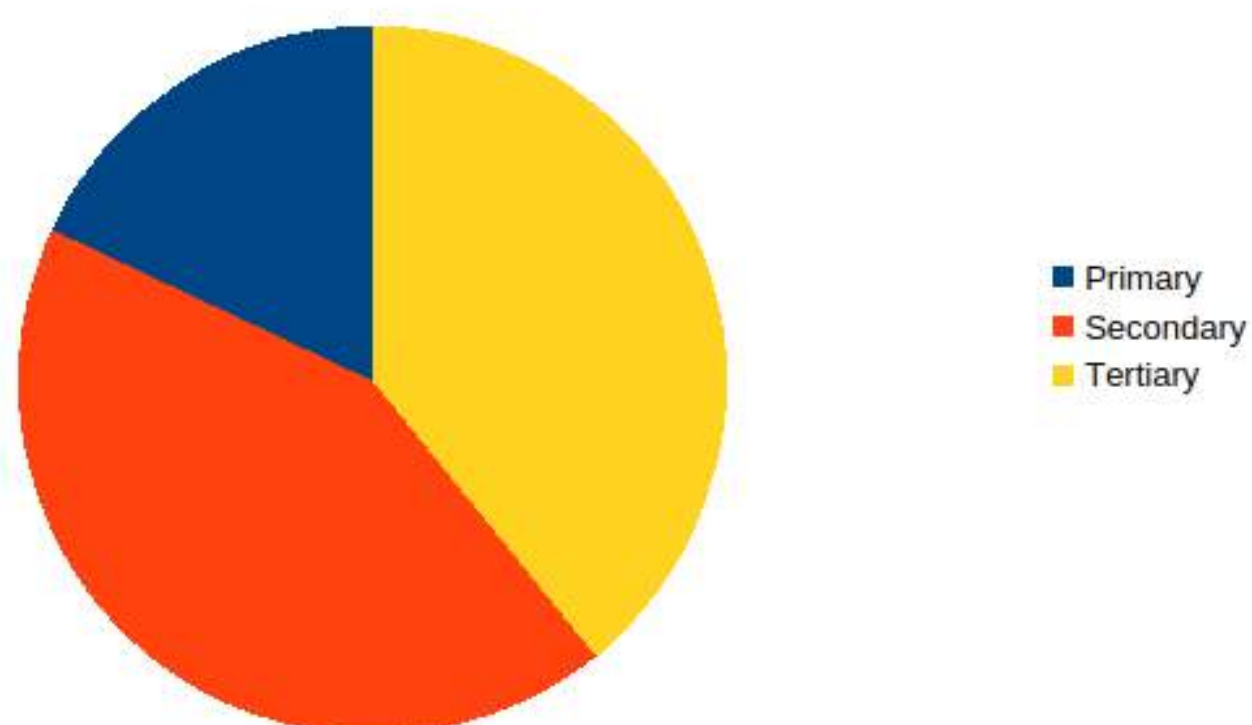
- **2,340 km** coastline with **49 ports** handling around **40%** of India's port cargo
- **19 airports** and India's **first High Speed Rail Corridor**

INDIA-EU TRADE

Gujarat's **Dholera semiconductor ecosystem** and **state semiconductor policy** positions it for a deeper India-EU cooperation.

SECTORAL SHARE

Sectoral Share in GSDP (2025-26)



DID YOU KNOW !

Around 90% of the world's diamonds by volume are cut and polished in Surat, making Gujarat a global diamond-processing hub with historic trade linkages to Antwerp.

UPCOMING MAJOR BUSINESS EVENTS IN INDIA

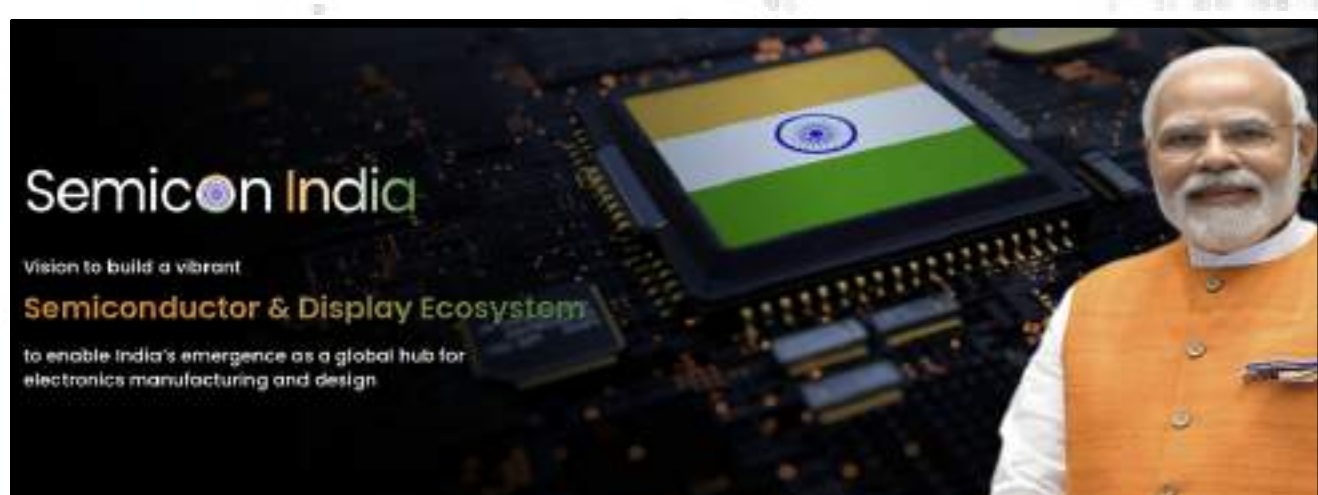
SEMICON INDIA 2026 **"SILICON TO SYSTEMS: BUILDING THE ECOSYSTEM"**

The 5th SEMICON India Conference and Exhibition:

Date: 17–19 September 2026

Place: New Delhi

Organised by : India Semiconductor Mission (ISM), Ministry of Electronics & Information Technology (MeitY), Government of India, and SEMI (Semiconductor Equipment and Materials International)



- Prime Minister Shri Narendra Modi will inaugurate the summit, preceded by a CEO Roundtable.
- The summit aims to bring together 500+ exhibiting companies from over 20 countries and 150+ internationally renowned speakers.

The **conference** will cover a wide range of themes including:

- Leadership & Strategic Forums
- 6 International Country Roundtables
- Women's empowerment and leadership
- Workforce Development Session
- Special Session on "Stronger Together: Industry Associations Collaborating for India's ESDM (Electronic System Design and Manufacturing) Growth"

Semicon India 2026:

[Register here](#)



UPCOMING MAJOR BUSINESS EVENTS IN INDIA



World Circular Economy Forum 2026 :
15 - 18 Sep 2026
Circular Economy.
[**Register here**](#)



Sagarmathan: The Great Ocean
Dialogue 2026
7 - 9 Oct 2026
[**Register here**](#)



National Ayush Festival 2026
25 - 27 Sep 2026
Ayurveda and Wellness



Delhi Jewellery and Gem Fair
26 - 28 Sep 2026
Gems and Jewellery



62nd IHGF Delhi Fair (Autumn) 2026
13 - 17 Oct 2026
Textiles, Lifestyle



Bharat International Rice Conference
23 - 25 Oct 2026
Rice trade, Agri - business

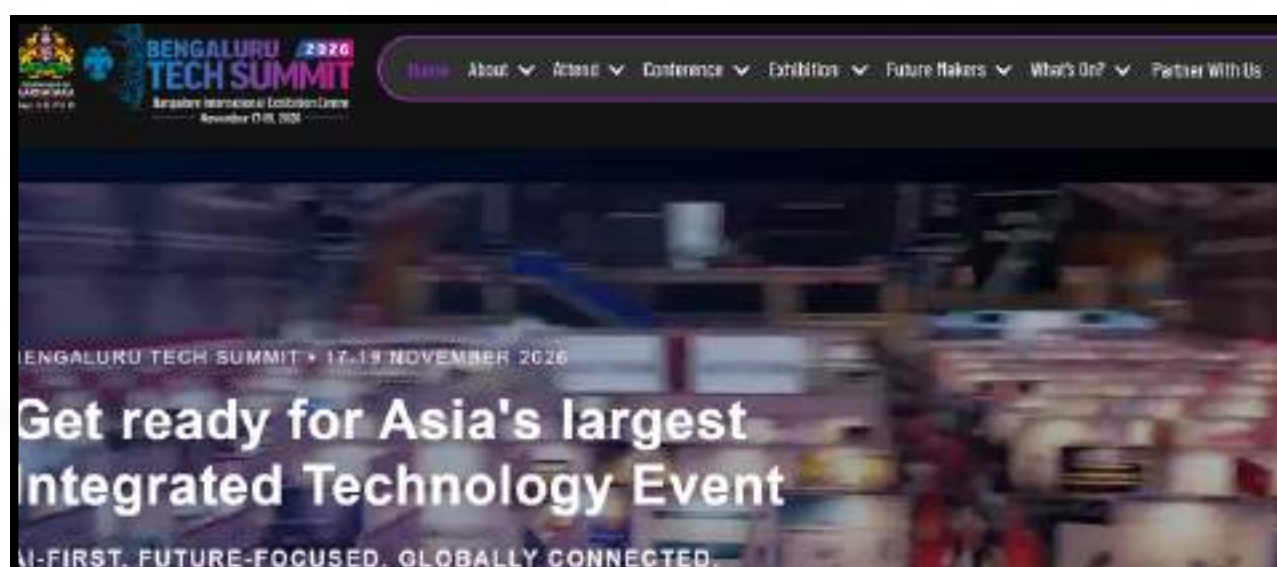
UPCOMING MAJOR BUSINESS EVENTS IN INDIA



Maritime India Conference & Expo
2 - 4 November 2026
Maritime Logistics



Bharat Renewable Energy Summit and Expo 2026
2 - 5 November 2026
Renewable Energy



Bengaluru Tech Summit
17 - 19 November 2026
AI & Technology



Bharat Mobility Global Expo 2027
4 - 9 February 2027
Automobiles, Logistics



Bharat Fintech Summit 2027
10 - 11 February 2027
Fintech



India International Coffee Festival
26 - 28 February 2027
Coffee Roasting and Brewing

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