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**Oil, Rare Earths
& the New India:
Building Self-Reliance
in a New Strategic Era**





23rd & 24th July 2026 BIEC, Bengaluru

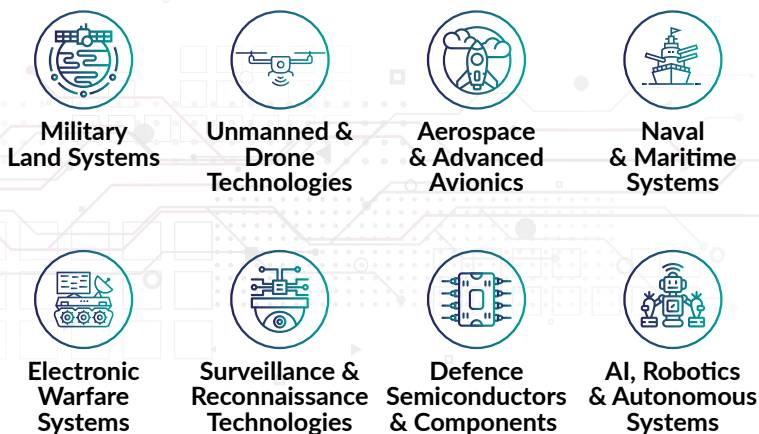
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Repercussions of the West Asia War – The Road Ahead for India's Electronics Industry



RAJOO GOEL
Secretary General
ELCINA

The conflict in West Asia has created a situation akin to a world war, causing untold misery and destruction across the region. For the global economy, and specifically for West Asian economies, the repercussions have been severe. With the globalisation of industries and distributed supply chains, such conflicts are bound to pose serious challenges, impeding operations and growth.

The global economy has been in turmoil since the beginning of the decade, when the Covid virus emerged in late 2019, causing a global pandemic and worldwide chaos. Following on its heels, the Russo-Ukraine conflict escalated into a full-scale war in 2022, becoming a major disruptor of global supply chains and throwing normal life out of gear.

Even as the Ukraine war continues, the conflict in West Asia has intensified challenges for the global electronics industry on several fronts. The key ones are supply chain disruptions, rising logistics costs, increased commodity prices, and delays in shipments, causing component shortages and rising input costs. Crude oil prices have soared well over US\$ 100, and prices of consumables and helium, used extensively in electronics and semiconductor manufacturing, have risen by over 50% and 100% respectively.

India's vulnerability to these disruptive forces is especially marked as we are at the cusp of becoming a significant player in the global electronics ecosystem. Our manufacturing capacities have been expanding rapidly but import dependence has remained high due to low value-addition. As technology advances rapidly, AI & Edge Computing, 6G, Advanced Communication and Quantum Computing among others are fuelling demand for semiconductors and high-tech components. The pressure on our domestic manufacturing continues to rise, with an increasing need to innovate, design, and develop our own ecosystem to keep pace with these advances and growing demand. India is truly in a unique situation. As the fastest-growing large economy, demand is rising in double digits, and we have set an ambitious target of a US\$ 500 Bn electronics industry by 2030-31.

India's electronics industry is experiencing rapid growth and some key data points need to be highlighted. Production has witnessed an extraordinary six-fold growth during the last decade: from ₹1.9 lakh crore (~US\$ 27 Bn) in 2014-15 to ₹11.3 lakh crore (~US\$ 125 Bn) in 2024-25. Exports have grown eight times to US\$ 38 Bn in the same period, and we have an ambitious target to achieve US\$ 500 Bn in manufacturing by 2030-31.

FOREWORD

A recent media article by Nitin SJ Asariparambil, said it clearly: “Make in India, but with imported parts?” As electronics imports crossed \$100 billion in 2025-26, exceeding US\$ 116 Bn, it underscored India's dependence on imported electronic components. This is a massive spike of 18% over the previous year as per data from the Ministry of Commerce and Industry.



The latest data shows that electronics exports surged further to US\$ 48 Bn in 2025-26, and mobile phones have continued to be the star performer contributing a whopping ~60% of this number. India has become the second-largest global mobile phone manufacturer. The government's schemes under the National Electronics Policy, specially PLI, have contributed significantly to this manufacturing growth, incentivising mobile phones and consumer appliances and attracting top global brands and EMS companies to expand operations in India.

The issue now is to navigate the global economic and political turmoil which has ravaged industry supply chains and disrupted production and logistics ecosystems. India is acknowledged as the bright spot with the highest growth rate among all large economies. However we are challenged by some structural deficiencies and fundamental gaps in our value chain. These include inadequate infrastructure for industrial efficiency and absence of critical components and technologies, especially semiconductors, special raw materials and microelectronics-based components. The irony is that while India has the highest number and some of the best research engineers and designers, we create intellectual property for the world but not for ourselves.

These challenges are already manifesting in the shape of the current

chip and raw material shortage as our electronics sector bears the brunt of the West Asia crisis. Supply chain disruptions are resulting in sharp rise in costs and production stoppages. Manufacturing mobile phones, which is India's pride, faces rising costs and falling shipments due to memory price hikes and other input cost pressures. With nearly 90% of these critical components being imported, this exposes our vulnerability to global supply chain disruptions. Analysts estimate that shipments will decline sharply from 150+ million last year to 130 million this year!

A recent media article by Nitin SJ Asariparambil, said it clearly: “Make in India, but with imported parts?” As electronics imports crossed \$100 billion in 2025-26, exceeding US\$ 116 Bn, it underscored India's dependence on imported electronic components. This is a massive spike of 18% over the previous year as per data from the Ministry of Commerce and Industry. Electronics now accounts for roughly 15% of all merchandise imports, making it one of the largest import categories. This exposes the chink in our armour.

While our exports have multiplied 11 times over the last decade to reach US\$ 48 Bn, driven primarily by smartphone shipments, the electronics trade deficit alone stands at US\$ 68 Bn, a major cause of worry. *India's domestic electronics manufacturing continues to rely heavily on imported*

components, particularly semiconductor components and assemblies, displays, microprocessors, and even printed circuit boards, with domestic value-addition hovering below 20%. The challenge confronting us is to breach this barrier and reach 35-40%, which will be possible only when we have a self-sustaining ecosystem of components manufacturing.

The road ahead for our ESDM sector depends on the success of India Semiconductor Mission and the Electronic Components Scheme, two key pillars on which this edifice has to be built. PLI has paved the way and provided the opportunity by opening up a market for the supply chain to be built. However, success in building a semiconductor ecosystem and critical passive and other non-semiconductor components requires greater perseverance, resilience and a long-term plan for success.

The announcement of India Semiconductor Mission 2.0 in this year's Union Budget, along with the significant expansion of the ECMS Scheme to strengthen the domestic supply chain, represents the path forward for building a successful electronics industry in India with a significant play in the global supply chains.

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Oil, Rare Earths & the New India: Building Self-Reliance in a New Strategic Era

A close reading of the US-Israel-Iran conflict reveals more than a regional power struggle. The closure of the Strait of Hormuz pushed up crude oil prices and exposed the vulnerability of economies, particularly in Asia, including China, that rely heavily on Middle Eastern oil to keep industries running, transport systems functioning and daily life moving. Control over a critical supply chokepoint creates leverage far beyond the battlefield. That is precisely why the story of oil offers a useful parallel to another strategic resource that is drawing growing attention: rare earth elements.

The irony is hard to miss. The sophistication of modern warfare has been on full display through precision missiles, fighter jets and drones, all of which have deepened instability and contributed, directly or indirectly, to wider economic pain. Yet these very weapons also depend on rare earth elements, a group of minerals that is becoming as strategically valuable as oil.

Why Modern Warfare Runs on Rare Earths

Take the F-35 Lightning II. The US Air Force's advanced fighter jet uses roughly 400 kilograms, or about 900

pounds, of rare earth elements per aircraft. The American Tomahawk missiles, known for striking targets more than 1,600 kilometers away, depend on rare-earth-based, high-performance magnets that can withstand extreme temperatures and enable precise targeting. In other words, the technologies that define modern military superiority are themselves dependent on access to critical minerals.

At first glance, comparing oil and rare earths may seem overstated. Oil powers everyday life in an obvious way; rare earths do not appear to. While the oil-REE analogy is powerful, it is important to remember that oil remains a mass-energy commodity underpinning entire economies, whereas rare earths are high-value enablers concentrated in specific advanced technologies. But that distinction is misleading. Rare earths are embedded in the devices that modern life now takes for granted. Smartphones, laptops, microwave ovens, electric vehicles, wind turbines and advanced defence systems all rely on them in one form or another.

Far from being confined to defence, rare earths – and rare earth magnets in particular – run through almost every layer of modern electronics and daily life. Any disruption in their availability

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can ripple across multiple industries. From smartphones, laptops, microwave ovens and wearables to EVs, telecom networks, wind turbines and other renewable-energy systems, entire value chains could face significant headwinds. Take India's wearables segment: with shipments of roughly 80-85 million units in 2024 and a market size of about USD 1.5 billion, largely driven by affordable true wireless earbuds, even a shortage of rare earth magnets could sharply disrupt production. The impact would stretch from end consumers to company balance sheets and workers in manufacturing units

whose livelihoods depend on these products. And this is just one segment; rare earths sit inside a dense web of interdependencies, where a supply shock can quickly translate into far-reaching economic consequences.

"The Middle East Has Oil, China Has Rare Earths"

"The Middle East has oil, China has rare earths." One could be forgiven for assuming that these words were spoken in the last few months. In fact, they were said by Chinese leader

Deng Xiaoping in 1987. The remark displayed striking foresight, anticipating both the direction of technological change and the growing importance of rare earth elements.

What once seemed like a niche technology issue has since metamorphosed into a geopolitical one. China's grip over rare earth supply has become a strategic concern for governments across the world. In that sense, the lesson is unmistakable: the next great contest for global power may be fought not only over oilfields and shipping lanes, but also over minerals hidden inside the technologies that power both modern economies and modern wars. China understood this long before much of the world did.

Not So Rare, But Hard to Harness

Rare earths, or rare earth elements, are a group of 17 metallic elements in the periodic table: the 15 lanthanides, along with scandium and yttrium. For the purposes of this discussion, however, their individual identities matter less than their economic and strategic value. These elements may not be scarce in the ground; what makes them strategically valuable is the complexity of extracting, processing and refining them.

The term "rare" is therefore somewhat misleading. Rare earths are relatively abundant, but occur in low concentrations and are often bound up with other elements, including radioactive thorium. Extracting them and refining them into usable form is an extremely difficult, capital-intensive and environmentally challenging task. That is where China built its advantage over several decades.

China's Real Advantage: Refining, Scale and Control

During his presentation titled "Rare Earth Elements" at ELCINA's Source India 2026 in Chennai, Mr. R. Saravanan, Deputy Adviser, NITI

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Aayog, compared global rare earth reserves over the years and noted a significant shift over roughly a decade (2013-2022). Global reserves, he said, were revised upward from around 110 million metric tonnes to about 130 million metric tonnes, while China's share declined from about 50 per cent to the low- to mid-30s, reflecting a marked relative erosion in its dominance over reserves.

Yet China's real power lies elsewhere. Its share of the world's refined rare earth supply stands at around 90 per cent. Over the years, the country has developed extraordinary strength in refining, making it the world's principal source for processed rare earth elements. What is striking is that China's dominance in the REE sector does not arise from exclusive control over global deposits, nor does it rest simply on proprietary technology. Its true advantage lies in mastery, efficiency and scale.

A New Geopolitics of Critical Minerals

In that sense, China's grip over rare earths is comparable to Iran's hold over the Strait of Hormuz. Both occupy critical chokepoints in global supply chains. And in a striking twist, that parallel is now being demonstrated in physical terms as countries, especially the US, watch a vital flow of oil become vulnerable – visible, essential and yet increasingly difficult to secure.

Global developments over the past year suggest that the US's pivots on Ukraine, Venezuela and Greenland are driven, at least in part, by a desire to hedge against future shortages of critical minerals. Washington is funding mining projects at speed and racing to build strategic stockpiles. India also recognises that in this new era of geopolitics, dependence on global supply chains – the mantra of an earlier era – is no longer a safe assumption. In the emerging world order, pragmatism and preparedness are the new imperatives.



Gettyimages

India's Rare Earth Endowment and Awakening

India holds the third-largest rare earth mineral reserves globally, with roughly 6.9 million tonnes of rare earth oxides, accounting for about 6-7 per cent of global reserves. With the Geological Survey of India having identified 482.6 million tonnes of rare-earth ore resources, India is signalling that critical minerals policy can no longer be treated as a peripheral industrial issue. It is now central to strategic autonomy and supply-chain resilience.

For years, however, India largely sat atop this resource base without building the processing and manufacturing capacity needed to translate potential into power. That stance is now changing as rare earths are folded into a wider critical minerals framework and treated not as obscure atomic minerals, but as strategic inputs for national security and advanced manufacturing.

From Atomic Mineral to Strategic Input

The real shift came when rare earths were integrated into the National Critical Mineral Mission and related reforms. Approved in January 2025, the mission gave this shift institutional force, with a government outlay of ₹16,300 crore and an expected ₹18,000 crore in additional investment to strengthen the value chain from exploration and mining to processing and recovery. Amendments to the Mines and Minerals (Development and Regulation) framework widened participation in exploration and auction-based development of critical mineral assets, signalling that the state wants private capital and technological capability to play a larger role.

In other words, rare earths have moved from being treated as an atomic-mineral curiosity to being recognised as a strategic input for semi-

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conductors, EVs, defence platforms and AI infrastructure. Policy is catching up with the reality that control over these materials will shape who captures value in the next generation of industrial and digital power.

Missions, Corridors and Magnet Manufacturing

The acceleration became more visible in 2025. Alongside efforts to promote recovery of critical minerals from tailings and recycling streams, the government approved a ₹7,280 crore Rare Earth Permanent Magnet (REPM) manufacturing scheme to create 6,000 MTPA of integrated capacity, backed by ₹6,450 crore in sales-linked incentives and ₹750 crore in capital support for advanced facilities.

The Union Budget's announcement in February 2026 of dedicated rare earth corridors in Odisha, Kerala, Andhra

Pradesh and Tamil Nadu then tied the entire strategy together by clustering mining, processing, research and downstream manufacturing in the states best placed to anchor such activity. What emerges is a clear strategic doctrine: India is no longer content to be a rare-earth-rich country on paper. It is trying to become a rare-earth-chain builder in practice.

The Private Push: From Ore to Magnets

The next phase of this strategy will depend not only on state policy, but also on whether private industry can build the parallel capabilities that make sovereign supply chains credible. Large industrial players are beginning to move beyond interest in raw materials and into processing and magnet-level value addition.

Vedanta group company Runaya, for instance, has announced plans to in-

vest about ₹1,000-1,200 crore in expansion, with roughly ₹300-500 crore earmarked for rare earth element processing and magnet manufacturing. At the same time, the government's rare earth magnet programme is explicitly designed to draw in private manufacturers to set up integrated facilities, underscoring that public policy is now being used to crowd in industrial risk-taking rather than substitute for it.

Avoiding New Dependencies: Diversifying Feedstock and Technology

Equally important is the effort to avoid replacing one form of dependence with another. Since India's domestic refining base remains limited, the emerging ecosystem is trying to diversify feedstock sources even as local capacity scales up. Reports in late 2025 indicated that global producers such as Lynas, Iluka and Rainbow Rare Earths were willing to supply rare earth oxides to India's magnet-manufacturing units, offering a non-China-centred supply option for the country's downstream push.

This matters because strategic autonomy in rare earths will not come from mining alone; it will come from building multiple, resilient links across sourcing, refining, component manufacturing and end-use demand. In policy terms, hedging will require not just geographic diversification of suppliers, but also institutional arrangements that can withstand price spikes, export controls and geopolitical shocks.

Designing Around the Bottleneck: Recycling and REE-Light Technologies

A more durable ecosystem will also require India to hedge technologically, not just geographically. That is why the rise of recycling ventures and rare-earth-light or rare-earth-free technologies may prove as significant as new mines or processing plants.

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For example, Chara Technologies, a Bengaluru-based deep-tech startup, is developing synchronous reluctance motors for EV and industrial applications that do not rely on rare-earth magnets at all, pointing to a second path of strategic resilience: designing around the bottleneck rather than merely domesticating it. In that sense, India's rare earth strategy is becoming broader and more mature. The government may be writing the rules and underwriting the first wave of capital, but it is private investment, technology development and supply-chain experimentation that will determine whether India merely enters the sector or truly reshapes its place within it.

Building a Full-Stack Tech Power

Over the past few years, India has also begun positioning itself not merely as a market for advanced technologies, but as a full-stack participant in the global contest over who controls the next generation of industrial and dig-

ital power. Semiconductor fabs, electronics manufacturing, EVs, defence platforms, AI infrastructure and critical minerals are increasingly being treated not as separate policy silos, but as parts of a single national strategy: build domestic supply chains, capture greater value at home, and ultimately emerge as a credible export-oriented technology power.

In a world where technology partnerships are becoming more club-like and security-driven, that posture matters. India must be seen not just as a low-cost manufacturing base, but as a dependable, rules-capable and strategically relevant partner. Rare earths, magnets, chips and AI are therefore best understood as layers of one stack, not isolated bets.

Execution Risks: Refining, Environment and Thorium

For all the ambition, India's rare-earth and critical-minerals ecosystem is still nascent. The country faces clear risks: a weak domestic refining base, complex environmental and regula-

tory hurdles around mining and processing, and the challenge of managing thorium and other radioactive by-products in rare-earth-bearing monazite sands.

Execution will require building specialised regulatory capacity, credible environmental safeguards and long-term offtake frameworks that give investors confidence without diluting public oversight. The real test is whether policy coordination and implementation can keep pace with announcements, so that rare-earth corridors, PLI schemes and missions translate into bankable projects and globally competitive firms.

Lessons from Hormuz: Resilience Before Crisis

Someday, one hopes soon, when peace returns to the Middle East and the world begins its slow return to normalcy, the experience of the Strait of Hormuz will not be easily forgotten. Its significance extends far beyond the immediate chokehold on oil. It will stand as a reminder that nations must look ahead, anticipate future vulnerabilities, and build self-reliance before crisis makes the cost of dependence impossible to ignore. More than a lesson in energy security, it is a warning about the decades ahead – decades in which technology, critical minerals and resilient supply chains will matter just as much as oil does today.

For India, that means the current vision of a rare-earth-to-semiconductors-to-AI ecosystem remains promising but still unfinished. The real challenge will be translating policy ambition and financial outlays into integrated, on-the-ground capacity. Success will depend on disciplined execution, stable regulation and coordinated action across ministries, states and private players. If India can manage that, the Strait-of-Hormuz era will be remembered not just as a cautionary tale, but as a catalyst that pushed a late-comer to build a genuinely resilient and sovereign industrial base.

INDUSTRY UPDATE

Market Trends from India & Abroad



TOP STORIES

Gulf War Shadow: India's \$11 Billion Mobile Phone Export Success Story Now Faces a \$3 Billion Challenge

India's rapidly expanding mobile phone exports may experience a significant slowdown as geopolitical tensions linked to the conflict involving Iran continue to affect economic activity and trade logistics across the Gulf and West Asia region. Industry analysts projected that India's electronics exports could suffer losses of about \$2-3 billion due to reduced demand and disruptions in freight transit. Electronics manufacturing services companies are especially exposed because a substantial share of their shipments consists of mobile phones destined for Gulf markets, which serve as major trade and consumption hubs. According to data from the commerce ministry cited by the analysts, mobile phone exports to Gulf and West Asian countries reached approximately \$3.1 billion in FY25, representing about 12% of India's total electronics exports. As a result, prolonged instability in the region could significantly impact export performance in the near term.

Mint | 13 March 2026

Govt Eases FDI Norms for China, other Countries Sharing Land Border with India: Sources

The Union Cabinet led approved changes to Press Note 3 of 2020, easing foreign direct investment norms for countries that share land borders with India. Earlier regulations required companies from these nations to obtain mandatory government approval

before investing in any sector in India. The updated framework applies to investors from neighbouring countries including China, Bangladesh, Pakistan, Bhutan, Nepal, Myanmar and Afghanistan. According to official data, China ranks 23rd in terms of foreign direct investment into India, accounting for around \$2.51 billion or roughly 0.32% of total equity inflows recorded between April 2000 and December 2025. Despite relatively modest investment flows, trade relations between India and China have expanded substantially over the years, with China emerging as India's second-largest trading partner. The policy revision signals a calibrated approach to balancing investment oversight with economic engagement.

The Economic Times | 10 March 2026

MeitY Clears Dixon-HKC JV for Display Manufacturing

Dixon Technologies has secured approval from the Ministry of Electronics and Information Technology (MeitY) for its joint venture with HKC Overseas under Press Note 3 of 2020, removing a major regulatory barrier to its planned entry into display technology manufacturing. The approval permits HKC Overseas, an affiliate of HKC Corporation, to acquire a minority stake in Dixon Display Technologies (DDTPL), which is currently a wholly owned subsidiary of Dixon. Once the transaction is completed, Dixon will retain a controlling 74% stake while HKC Overseas will hold the remaining 26%. The two companies had earlier signed a share subscription and shareholders' agreement on August 16, 2025, defining the ownership structure and operational framework of the partnership. The

INDUSTRY UPDATE

joint venture will focus on developing, manufacturing, and distributing display technologies such as liquid crystal modules and thin film transistor liquid crystal display (TFT-LCD) modules for applications across mobile devices, notebooks, televisions, automotive displays, monitors, and industrial equipment.

Financial Express | 09 March 2026

Military Conflict in Middle East to Hit Electronics Export from India

Growing geopolitical tensions in the Middle East posed significant risks to India's electronics export sector, potentially affecting shipments valued at more than \$4 billion each year. According to the electronics components industry association ELCINA, exporters were likely to face logistical challenges and rising manufacturing costs that could disrupt trade flows to key regional markets. Rajoo Goel, Secretary General of ELCINA, said India's ties with the Middle East spanned economic, social and political dimensions, and the region had become an increasingly important destination for electronics exports. Products such as mobile phones, consumer electronics and electronic components were widely shipped to countries including the United Arab Emirates, Saudi Arabia and Israel. He also highlighted the role of Dubai as a major logistics and trade hub where Indian goods were often re-exported to other markets. As a result, any instability in the region could significantly disrupt export flows and supply chains.

The Economic Times - Retail | 03 March 2026

Western Coalfields Finds 8 Rare Earth Elements and Critical Minerals in its 6 Mines in Maharashtra

Western Coalfields Limited (WCL) has discovered eight strategic and critical minerals, including rare earth elements, in six of its mines in Maharashtra, marking a potential shift beyond its core coal business. Analysis indicates

economically viable concentrations of potash, tellurium, titanium, lanthanum, cerium, rhenium, selenium and zirconium embedded in overburden and mine rejects. These findings suggest that materials previously treated as waste could be converted into revenue-generating resources. To capitalise on this opportunity, WCL intends to collaborate with Coal India Ltd and the Non-Ferrous Materials Technology Development Centre to develop suitable extraction technologies and establish pilot plants. The move aligns with broader efforts to strengthen domestic access to critical minerals while expanding the company's operational portfolio beyond conventional coal mining.

The Economic Times | 27 February 2026

Brazil, India Seal Rare Earth Deal Amid Global Supply Strains

India and Brazil have concluded a co-operation framework on critical minerals aimed at building more dependable supply chains and strengthening collaboration in mineral processing. The agreement was announced after talks between Prime Minister Narendra Modi and Brazilian President Luiz Inacio Lula da Silva. It reflects India's effort to diversify sources of rare earth materials, particularly by tapping Brazil's extensive reserves, as demand grows in sectors such as electronics, renewable energy and defence manufacturing. By reducing dependence on dominant suppliers, the partnership seeks to improve long-term resource security and industrial resilience. The initiative complements India's participation in Pax Silica, which promotes international cooperation on semiconductors, artificial intelligence and key raw materials. Growing global concerns about concentrated control over critical mineral supplies have encouraged countries like India to pursue strategic partnerships. The new arrangement is expected to support stable access to essential inputs needed for advanced manufacturing and future technologies.

Bloomberg | 21 February 2026



INDUSTRY UPDATE



Reliance Makes \$110bn AI Push; TCS, OpenAI Tie Up

India's leading conglomerates are accelerating investments in AI infrastructure, with Reliance Industries committing \$110 billion over seven years to establish a sovereign AI backbone. The announcement follows the Adani Group's \$100 billion plan for AI-ready data centres and associated power capacity. Addressing the India AI Impact Summit 2026 in New Delhi, chairman Mukesh Ambani said the investment will be channelled through RIL and Jio Platforms. Plans include building multi-gigawatt AI-ready data centres in Jamnagar supported by green energy, along with a nationwide edge network to expand affordable AI access. In parallel, Tata Consultancy Services announced that OpenAI will serve as the anchor client for its upcoming data centre, a collaboration aimed at strengthening India's data sovereignty and long-term domestic compute capabilities.

Mint | 20 February 2026

Rs 28,728 Crore Disbursed under PLI so far

The government has disbursed ₹28,728 crore in incentives under the Production Linked Incentive Scheme against a total planned outlay of ₹1.97 lakh crore to encourage manufacturing growth across 14 sectors. The initiative has attracted investments of about ₹2.16 lakh crore and supported the creation of nearly 14.4 lakh direct and indirect jobs. A total of 836 applications have been approved, and operational units have generated significant output, resulting in sales exceeding ₹20 lakh crore and exports of more than ₹8 lakh crore. Launched in 2020 initially for sectors such as electronics and pharmaceuticals, the programme was later expanded to include additional industries. For 2026-27, the government has provided ₹15,541 crore for the scheme, slightly lower than the revised estimate for the previous year, indicating a gradual adjustment in spending as implementation progresses.

Financial Express | 20 February 2026

Memory Chip Supply Squeeze Disrupts Consumer Tech – Worsening Outlook

Electronics manufacturers worldwide are grappling with sharply rising memory-chip prices, leaving them with difficult choices: pass the additional costs on to consumers, absorb shrinking margins, or redesign products to use less memory. The strain reflects broader supply-chain pressures triggered by the rapid expansion of artificial intelligence technologies. AI systems require massive data centers filled with servers that depend heavily on high-capacity memory chips. This surge in demand has significantly reduced chip availability for consumer electronics makers, including producers of smartphones, personal computers, gaming consoles, and other digital devices. As supply tightens, prices have climbed steeply since early last year, reaching levels not seen in previous cycles. The result is mounting cost pressure across the consumer technology sector.

The Wall Street Journal | 12 February 2026

INDUSTRY UPDATE

India's electronics industry has climbed rapidly up the export rankings, rising from the seventh-largest category in FY22 to the third-largest and fastest-growing by FY25.



Union Budget 2026-27: To Cut China Reliance, Support for Rare Earths, Critical Minerals

The Union Budget FY27 outlined a sharper policy focus on building India's critical minerals ecosystem, announcing dedicated rare earth corridors in coastal states including Odisha, Kerala, Andhra Pradesh and Tamil Nadu. These corridors are intended to support mining, processing, research and downstream manufacturing. The Budget also proposed exempting basic customs duty on capital goods required for critical mineral processing, reducing costs and encouraging domestic capacity creation across the value chain. These measures form part of a broader strategy to secure the entire critical minerals supply chain, spanning exploration, mining, processing, recycling and overseas acquisition. The push comes amid China's overwhelming dominance in rare earths and recent export curbs imposed during heightened trade tensions with the US. Although some restrictions were later eased, prolonged controls have compelled countries such as India to diversify supplies and reduce strategic dependence.

The Indian Express | 02 February 2026

Budget 2026 Bets Big on Semiconductor Chips, Raises Electronics Components Outlay to Rs. 40,000 Crore

Union Budget 2026 marked a decisive step in strengthening India's electronics manufacturing ambitions, with a new incentive plan for semiconductor manufacturing and a sharp increase in support for components. The outlay under the Electronics Components Manufacturing Scheme was nearly doubled to Rs 40,000 crore. Finance Minister Nirmala Sitharaman highlighted the role of India Semiconductor Mission 1.0 in building initial capabilities and announced ISM 2.0 to expand into equipment, materials, Indian intellectual property, and resilient supply chains. The renewed push builds on the Rs 76,000 crore incentive package announced in 2021, which offered

fiscal support of up to 50 per cent of project costs. After decades of failed attempts, India secured major wins with Micron's Gujarat facility and subsequent approvals for projects led by Tata Electronics and CG Power, signalling growing global confidence in India's semiconductor ecosystem.

The Times of India | 01 February 2026

Economic Survey: Electronics on Course to be India's Second Biggest Export, Powered by Mobile Manufacturing

India's electronics industry has climbed rapidly up the export rankings, rising from the seventh-largest category in FY22 to the third-largest and fastest-growing by FY25, according to the Economic Survey 2026. The upswing has carried into the first half of FY26, with exports reaching \$22.2 billion, positioning electronics to overtake other sectors and become India's second-largest export segment, if current trends persist through the year. This performance signals a structural shift in India's manufacturing base, led by expanding domestic capacity and a clear pivot toward export-led growth. Deeper integration with global value chains has reinforced scale and competitiveness. Mobile phone manufacturing has been central to this change, with production value soaring nearly 30-fold in a decade – from Rs 18,000 crore in FY15 to Rs 5.45 lakh crore in FY25 – marking one of India's most striking industrial expansions.

Moneycontrol | 29 January 2026

Eu Deal to Open \$750 Billion Electronics Market for Indian Manufacturers

Indian electronics manufacturers are expected to benefit significantly from a landmark trade agreement with the European Union, which opens preferential access to a nearly \$750 billion electronics market. Industry estimates suggest bilateral electronics trade could reach \$50 billion by 2031. The deal aligns closely with India's strategy to scale electronics exports and

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strengthens manufacturing competitiveness through cheaper access to high-end European machinery and advanced production technologies, including those required for semi-conductors and electronics components. Another major feature of the agreement is the mutual recognition of certifications, which will shorten qualification cycles and ensure India-made products meet European regulatory benchmarks. The greatest gains are expected in segments such as LED televisions, LED lighting and home appliances. These categories previously faced higher import duties, including 14% on televisions and 3% on lighting. Under the new arrangement, these tariffs are expected to be rationalised to zero, significantly improving market access for Indian manufacturers.

The Economic Times | 28 January 2026

Electronics Manufacturing Leads PLI Scheme as Production Jumps 146%: Report

Electronics manufacturing, particularly mobile phone production, has stood out as a strong performer under India's Production Linked Incentive (PLI) scheme. CareEdge Ratings data shows that production surged by 146 per cent, rising from ₹2.13 lakh crore in FY21 to ₹5.45 lakh crore in FY25. This rapid expansion was supported by foreign direct investment inflows of about \$4 billion, with nearly 70 per cent directed towards companies benefiting from the PLI scheme. Despite this success, the report flags a significant gap between allocations and actual payouts. The total budgetary outlay for the PLI scheme across 14 sectors is ₹1.97 lakh crore, while cumulative disbursements up to September 2025 amounted to only ₹23,946 crore. This translates to just 12 per cent of the total envisaged disbursement, highlighting delays and underutilisation of funds even as production outcomes in electronics manufacturing remain strong.

The Hindu Business Line | 17 January 2026



New Make in India Record? Apple Ships iPhones worth \$50 Billion from India, Electronics Exports Grow 8x

Apple has become an important force in India's electronics manufacturing landscape, with iPhone exports surpassing \$50 billion in value in 2025. Union IT Minister Ashwini Vaishnav highlighted this milestone as a significant outcome of the Make in India initiative, reflecting the country's growing role in global supply chains. In the first nine months of FY26, the company exported devices worth \$16 billion from its Indian production base,

underscoring steady expansion in output and overseas shipments. Apple has also been a participant in the government's smartphone production-linked incentive programme since 2022, which has encouraged investments in local manufacturing capacity. The company's operations have contributed to substantial employment generation, with more than 3.5 lakh direct and indirect jobs created across the ecosystem. These developments indicate India's rising competitiveness as a preferred destination for large-scale electronics production and exports.

India Today | 05 January 2026

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ECMS: Centre Approves Proposals from Dixon, Foxconn, Hindalco & Others with ₹41,863 Cr Investment

MeitY has approved 22 projects under the third tranche of the Electronics Components Manufacturing Scheme (ECMS), aimed at strengthening India's electronics supply chain. The projects are expected to attract ₹41,863 crore in investment and generate production worth ₹2,58,152 crore. Key beneficiaries include Dixon Technologies, Samsung Display Noida, Foxconn, Hindalco Industries, Tata Electronics, and Amara Raja-ATL, among others. The projects are projected to create 33,791 direct jobs and span 11 segments across mobile, telecom, automotive, consumer, strategic electronics, and IT hardware. The approvals were announced in the presence of Union Minister Ashwini Vaishnaw and other officials, with letters issued to participating firms.

The Economic Times - Telecom | 02 January 2026

PLI Auto Scheme Going Strong, ₹35,657 Crore Invested, ₹2,321.94 Crore Incentives Disbursed so far

India's Production Linked Incentive scheme for the automobile sector has reached notable milestones in promoting advanced vehicle manufacturing and strengthening domestic technological capabilities. As of December 31, 2025, the programme had attracted cumulative investments amounting to ₹35,657 crore, while incentives totalling ₹2,321.94 crore had been disbursed to eligible participants. The scheme is structured as a five-year initiative running from FY2023-24 to FY2027-28, with a total financial outlay of ₹25,938 crore aimed at encouraging innovation and localisation in automotive technologies. Several prominent original equipment manufacturers, including Tata Motors, Bajaj Auto, Mahindra & Mahindra, TVS Motor and Ola Electric, have benefited from the policy support. In addition, component manufacturer Toyota Kirloskar Auto Parts has also been part of the initiative, highlighting

its broader impact across the automotive value chain. These developments underline the scheme's role in accelerating India's transition toward advanced mobility solutions.

CNBC TV18 | 31 December 2025

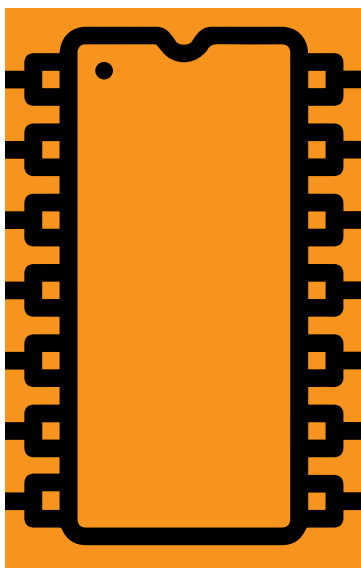
Missiles, Radars & Loiter Munition: Centre Clears Mega Rs 79,000 Crore Defence Deal

In a significant move to enhance military preparedness, the central government has approved defence procurement projects worth approximately ₹79,000 crore. The Defence Acquisition Council, chaired by Defence Minister Rajnath Singh, accorded Acceptance of Necessity for multiple systems intended to strengthen the capabilities of the Army, Navy and Air Force. The sanctioned procurements encompass a broad spectrum of modern equipment, including missile systems, advanced rocket platforms, surveillance radars, unmanned aerial solutions and related support infrastructure. Among the notable items cleared are loitering munitions, low-level lightweight radar units, long-range guided rockets designed for the Pinaka Multi-Barrel Rocket Launcher system, and the Integrated Drone Detection and Interdiction System Mk-II. These acquisitions are expected to improve situational awareness, firepower and technological readiness across the services, reflecting continued emphasis on modernisation and the adoption of next-generation defence technologies.

The Times of India | 29 December 2025



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GENERAL
ELECTRONICS**Dixon, Longcheer Finalise JV Pact to Boost Local Electronics Manufacturing**

Dixon Technologies has completed a joint venture agreement with original design manufacturer Longcheer Intelligence after obtaining necessary government approvals last year. The new venture, named Dixtel Infocomm, will have Dixon holding a majority 74% stake through an investment of ₹7.39 crore, while Longcheer will invest ₹2.6 crore for a 26% share. The arrangement, first announced in February 2026, is expected to help Dixon secure steady production volumes in the smartphone manufacturing segment. Longcheer is a design and manufacturing partner for entry-level smartphones sold by leading brands including Vivo, Oppo, and Samsung. The entity had originally been set up in 2023 as a wholly owned subsidiary of Dixon with a paid-up capital of ₹10 crore. With the agreement now in place, the subsidiary will transition into a formal joint venture structure with regulatory approvals completed.

The Economic Times | 04 March 2026

India AI Impact Summit 2026: The Real Policy Shifts You Shouldn't Miss

The India AI Impact Summit wrapped up amid intense scrutiny, with much of the spotlight falling on organisational lapses and the controversy linked to Galgotias University, along with the political debates that followed. Headlines largely emphasised the disruptions, shaping a narrative of mismanagement. However, beneath that noise, the summit delivered significant policy cues. In keynote speeches and thematic sessions spanning multiple industries, government officials outlined more defined regulatory thinking on mandatory age verification mechanisms, oversight of synthetic and AI-generated media, differentiated governance models tailored to specific sectors, and stricter accountability frameworks for high-risk AI systems. Collectively, these signals suggest a move toward a more structured and

compliance-driven AI policy environment in India.

Medianama | 21 February 2026

India Targets Rare Earth Permanent Magnet Production by Year End, Minister says

India is preparing to launch domestic production of rare earth permanent magnets by year-end as part of a broader effort to reduce reliance on imported critical materials. A government-approved programme worth ₹73 billion will support collaboration with private industry to manufacture magnets used in key sectors including electric mobility, defence systems, aerospace and renewable energy technologies. The mining ministry, together with a public-sector organization, has developed the required production technology and plans to establish four processing plants in different states. Despite possessing some of the world's largest rare earth reserves, India extracts only a small portion because private sector investment has been limited. Meanwhile, demand for permanent magnets is expected to rise sharply and could double by 2030. At present, most domestic requirements are met through imports, making local production strategically important for industrial growth.

Reuters | 19 February 2026

Tamil Nadu Signs ₹5,980 Crore MoUs in Electronics, Aerospace Investments

Tamil Nadu Industries Minister T R B Rajaa announced two significant investment agreements aimed at strengthening the state's manufacturing ecosystem. Japan-based MinebeaMitsumi has signed a memorandum of understanding with the state via Guidance Tamil Nadu to invest ₹1,980 crore in Tiruvallur district. The project is expected to create around 1,400 high-end jobs and expand the state's precision engineering capabilities. The company operates in 28 countries and produces precision mechanical and electronic components for automo-

INDUSTRY UPDATE

India's Advanced Chemistry Cell (ACC) battery demand is expected to expand dramatically over the next two decades, growing from 28 GWh in 2025 to more than 700 GWh by the mid-2040s



tive, industrial and electronics sectors, including semiconductors, IGBT modules, battery management systems, motors, sensors and power supplies, reinforcing global supply chain integration and continued Japanese investment confidence. Separately, the state signed an MoU with Aequs Group for a ₹4,000 crore investment to establish India's first fully vertically integrated aircraft engine manufacturing facility.

Business Today | 16 February 2026

IT Ministry Mandates Label for AI-generated Content, Reduces Takedown Timeline to 2-3 Hours

The Union Government has amended the Information Technology Act, 2021, introducing stricter compliance requirements for online platforms. The new rules mandate prominent disclosure of photorealistic AI-generated content and substantially reduce timelines for removing illegal and sensitive material. These amendments will take effect from February 20, 2026, and aim to address the growing risks posed by deepfakes and synthetic media. Under the revised framework, social media platforms must remove content declared unlawful by a court or an appropriate government authority within three hours, compared to the earlier 24-36 hour window. Highly sensitive content, including non-consensual nudity and deepfakes, must be taken down within two hours. Platforms that fail to comply risk losing safe harbour protections, exposing them to greater legal liability.

The Hindu | 10 February 2026

India Battery Demand to Surge to 700 GWh by 2045

India's Advanced Chemistry Cell (ACC) battery demand is expected to expand dramatically over the next two decades, growing from 28 GWh in 2025 to more than 700 GWh by the mid-2040s, according to the India Energy Storage Alliance (IESA). The findings were outlined in the report Vision 2047: India's Roadmap for a Self-Re-

liant Battery Ecosystem, released at the India Battery Manufacturing and Supply Chain Summit 2026. The report underscores the central role of battery manufacturing in supporting India's electric mobility transition and large-scale energy storage needs. The study projects Lithium Iron Phosphate (LFP) batteries and their variants to account for over 60 per cent of total battery demand by 2047. This dominance is attributed to their cost advantages, superior thermal stability, and enhanced safety compared to other chemistries. The shift toward LFP is seen as crucial for meeting India's climate commitments and achieving the Viksit Bharat Vision 2047.

The Hindu Business Line | 05 February 2026

Electronics Firms Seek Duty Cuts to Boost Local Manufacturing

India's top five information technology companies recorded a modest net addition of 2,505 employees in calendar year 2025, marking a turnaround from the job losses seen a year earlier. Tata Consultancy Services, Infosys, HCLTech, Wipro and Tech Mahindra had collectively cut around 2,500 jobs in 2024 as the industry corrected for excessive hiring during the Covid-19 pandemic. Together, these firms employed more than 1.5 million people as of December 31, underscoring their continued scale even as hiring remains cautious. The limited recovery in headcount highlights a structural shift in the \$283 billion IT sector. Hiring has not rebounded to pre-pandemic levels due to artificial intelligence-led technology disruption and changing client strategies. Automation and AI are reshaping service delivery models, reducing demand for certain roles while increasing the need for specialised skills. At the same time, the expansion of global capability centres has led multinational companies to bring more work in-house, curbing outsourcing growth. As a result, IT firms are prioritising targeted, skill-based recruitment over broad-based workforce expansion.

Financial Express | 19 January 2026

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India Holds Ground in US Market as Electronics and Consumer Goods Blunt Tariff Impact

India has successfully defended, and in several segments expanded, its share of the US market despite the introduction of higher American tariffs. Electronics and consumer goods have played a critical role in preventing a broader trade slowdown. According to a Moneycontrol analysis, nearly 60 percent of Indian products imported by the US recorded higher volumes and increased their share of total imports in the ten months following the tariff hike, indicating uneven tariff impacts across sectors. Electronics have emerged as the strongest area of resilience and growth. Laptop exports from India to the US rose dramatically after the tariffs were imposed, with shipments jumping nearly 5000 percent in the two months following the move. Over the first ten months of the year, imports increased around 1700 percent, lifting India's share of US laptop imports by 0.3 percentage points and underscoring manufacturers' rapid response to shifting trade conditions.

Moneycontrol | 16 January 2026

From Leading Defence Importer to Exporter: Make in India, for the World – How 2025 was the Year of Reforms

India's defence sector witnessed a transformative phase in 2025, designated as the Year of Reforms, with policymakers prioritising future-oriented domains such as cyber warfare capabilities, space-based systems, artificial intelligence, machine learning, hypersonic technologies and robotics. The period saw notable technological advancements, including DRDO's presentation of the Hypersonic Glide Vehicle and the Transporter Erector Launcher developed under the Long-Range Anti-Ship Missile programme. In addition, several next-generation innovations were introduced, ranging from sophisticated unmanned platforms to AI-enabled



imaging seekers and other advanced defence solutions. These achievements were supported by a wide ecosystem involving defence public sector undertakings, private companies, start-ups, academic institutions and international collaborators. As a result of sustained policy support and industrial participation, India's defence production value rose to ₹1,50,590 crore, with the private sector contributing around 23 percent, reflecting growing momentum toward self-reliance and stronger global competitiveness.

The Times of India | 26 December 2025

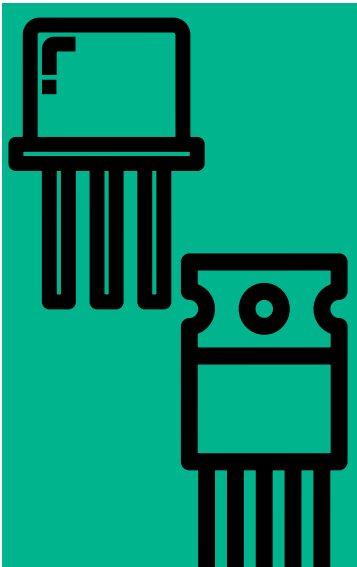
India's Bare PCB Manufacturing set for 45% CAGR Surge

India's bare printed circuit board manufacturing segment is anticipated to witness robust growth, with projections indicating a compound annual growth rate of nearly 45 percent up to FY29. This momentum is

largely attributed to supportive government policies and a strategic shift by manufacturers toward producing sophisticated, high-value circuit boards rather than basic variants. As domestic capabilities improve, the country is expected to gradually reduce its dependence on imported electronic components, thereby strengthening supply chain resilience. The expansion of PCB production will also contribute to the broader electronics sector, which is forecast to reach a market size of around \$450 billion by FY30. Initiatives such as the Electronics Component Manufacturing Scheme, along with related policy measures, are promoting investments in local manufacturing of essential inputs including laminates, camera modules, and other critical hardware components. These developments highlight India's growing ambitions in electronics self-reliance.

The Economic Times | 23 December 2025

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SEMICONDUCTORS

India Plans New ₹1 Lakh Crore Fund to Support Local Chipmaking

India is planning to introduce a semiconductor support fund exceeding ₹1 trillion (about \$10.8 billion) to accelerate the development of its domestic chip industry. The initiative is part of the broader semiconductor push led by Prime Minister Narendra Modi, who aims to strengthen India's position as a global manufacturing hub. According to people familiar with the discussions, the proposed fund could be launched within the next two to three months, although details are still being finalized. The programme is expected to offer subsidies for chip design initiatives, manufacturing equipment purchases and the development of supply chains supporting semiconductor production. India's semiconductor ecosystem remains at an early stage, with only a limited number of major projects currently underway. The planned support mirrors similar initiatives by governments worldwide, such as the CHIPS and Science Act in the United States, which allocated \$52 billion to boost domestic chip manufacturing capacity.

The Economic Times | 12 March 2026

India Seeks Dutch Knowhow in Semiconductor Push

A trade delegation from India travelled to the semiconductor cluster in Eindhoven, located in the Netherlands, to discuss potential investment collaborations as India intensifies efforts to establish a domestic semiconductor manufacturing ecosystem. The Indian government has committed billions of dollars in subsidies to encourage chip fabrication and supporting industries, with eight semiconductor-related projects already in progress. Among these is a major \$14 billion semiconductor facility planned by Tata Electronics in Gujarat. The visit also reflects growing interest from Dutch technology companies seeking broader global markets as export controls and trade restrictions linked to the U.S.-China technology rivalry reshape the semiconductor landscape. The Eindhoven region is a

major global hub for semiconductor innovation and manufacturing equipment, housing companies such as ASML, a leading chip equipment manufacturer, as well as NXP Semiconductors, a prominent semiconductor producer headquartered there.

Reuters | 04 March 2026

Micron Opens World's Largest Semiconductor Clean Room in Gujarat; 1st Shipment Rolls Out for Dell

Micron Technology has launched operations at India's first advanced memory ATMP facility in Sanand, Gujarat, and dispatched its inaugural DRAM module shipment to Dell Technologies. The plant houses a 500,000 sq ft raised-floor clean room, described as the largest single facility of its kind globally for semiconductor assembly. Designed specifically for Sanand's soil and weather conditions to mitigate moisture-related risks, the clean room meets Class 1000 standards, limiting particle concentration to 1,000 particles per cubic meter. Air circulation is maintained at 120 changes per hour – significantly higher than pharmaceutical standards – to protect delicate integrated circuits and ultra-fine gold bonding wires. The facility represents a significant step in strengthening India's semiconductor manufacturing ecosystem and advancing its participation in global memory supply chains.

The Hindu Business Line | 28 February 2026

PM Modi Lays Foundation Stone of Foxconn-HCL Chip Plant in Jewar

Prime Minister Narendra Modi laid the foundation for a semiconductor fabrication facility in Jewar, Uttar Pradesh, marking an important step in India's efforts to strengthen domestic electronics manufacturing. The plant, a collaboration between Foxconn and HCL, is intended to support India's goal of technological self-sufficiency and reduce dependence on imports. Modi stressed that access to rare earth minerals is crucial for semiconductor pro-

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thetradejournal

duction and said the country is taking measures to secure these resources, including the creation of dedicated supply corridors. He linked domestic chip manufacturing with the broader vision of a self-reliant and developed economy, noting strong growth in electronics production, exports and mobile manufacturing over the past decade. He also underlined India's dual focus on software and hardware development, pointing out that Uttar Pradesh is emerging as an important contributor to the country's expanding semiconductor ecosystem.

The Economic Times | 21 February 2026

Tata Electronics Ties Up with Qualcomm

Tata Electronics has entered Qualcomm Technologies' worldwide network of manufacturing partners to produce sophisticated automotive electronic modules in India, strengthening the business case for its planned \$3 billion semiconductor

assembly and testing (OSAT) plant at Jagiroad in Assam. The partnership establishes Qualcomm Technologies as an anchor customer and supports the development of a domestic ecosystem for advanced automotive electronics. Tata Electronics will manufacture products including digital cockpits, infotainment systems, connectivity solutions and intelligent vehicle technologies aimed at both Indian and international automotive companies. Randhir Thakur, Chief Executive Officer and Managing Director of Tata Electronics, said the company will rely on its integrated systems packaging capabilities to ensure dependable and high-performance module production. The collaboration is expected to enhance India's semiconductor manufacturing capacity while supporting Qualcomm Technologies' global product portfolio and expanding Tata Electronics' role in the automotive electronics value chain.

The Times of India | 21 February 2026

Pax Silica Pact: India Plugs into US Tech Alliance to Secure Chips, AI and Critical Minerals

India has formally become part of the US-led Pax Silica framework, signing the Pax Silica Declaration alongside the United States during the India AI Impact Summit 2026. Championed by the US Department of State, Pax Silica is designed to create a trusted network spanning the full technology value chain, from critical mineral extraction and semiconductor fabrication to AI deployment. The declaration highlights the strategic importance of resilient supply chains for economic security and identifies artificial intelligence as a key driver of long-term global prosperity. The development follows an interim trade agreement between the two countries earlier this month, which helped ease persistent trade frictions and set the stage for stronger economic integration. Together, these steps

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signal closer US-India collaboration to diversify supply chains and reduce reliance on adversarial ecosystems in critical technologies.

The Economic Times | 20 February 2026

Budget 2026: Semiconductor Push Deepens as Centre Doubles Outlay to Rs 8,000 Crore

In FY2026-27, the government significantly expanded its semiconductor spending, allocating ₹8,000 crore to the Modified Programme for Development of Semiconductors and Display Manufacturing Ecosystem, nearly double the previous year's outlay. Support for compound semiconductors, silicon photonics, sensors, and OSAT facilities rose to ₹5,000 crore, while funding for semiconductor fabs doubled to ₹2,000 crore. A major highlight was the modernisation of the Semiconductor Laboratory in Mohali, where allocations surged from ₹20 crore to ₹900 crore. The newly announced India Semiconductor Mission 2.0 also received ₹1,000 crore. Alongside semiconductors, electronics components manufacturing saw a sharp increase, with ECMS funding rising to ₹1,500 crore from ₹6.8 crore. In contrast, the PLI scheme for large-scale electronics manufacturing was reduced to ₹1,345 crore from ₹6,960 crore. The finance minister also confirmed a ₹40,000 crore outlay for the component PLI scheme under ISM 2.0.

Moneycontrol | 01 February 2026

1st Commercial Semiconductor Chip Production will Begin this Year: Minister

India is on schedule to begin commercial semiconductor chip production in 2026, Union Electronics and Information Technology Minister Ashwini Vaishnaw said, reaffirming the government's timeline under the India Semiconductor Mission launched in January 2022. At the time of the mission's announcement, the government had set a five-year target to start commercial manufacturing, positioning semi-

conductor fabrication as a key pillar of India's electronics strategy.

Providing an update on progress, the minister said four semiconductor plants are expected to commence operations in 2026. He added that pilot production has already begun at three plants during 2025, indicating that projects have moved from planning to execution. The developments signal steady momentum in India's efforts to establish a domestic semiconductor ecosystem and reduce dependence on imported chips, while laying the foundation for long-term growth in advanced electronics manufacturing.

NDTV | 24 January 2026

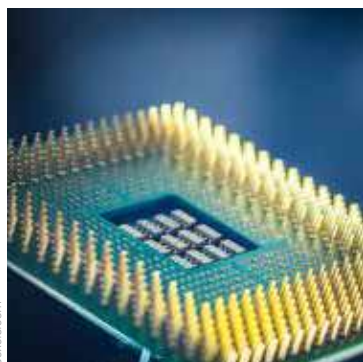
Dholera Semiconductor Plant to Use ASML Equipment for Chip Production

Tata Group is investing around ₹91,000 crore to establish a semiconductor chip manufacturing facility at Dholera, reinforcing India's push to build a domestic chip ecosystem. The project has strong government backing, with the Centre offering 50 per cent fiscal support on a pari-passu basis and the state government committing a further 20 per cent support. The scale of investment and policy support reflects the strategic importance India is placing on semiconductor manufacturing. The Dholera fabs will deploy cutting-edge lithography equipment from Dutch firm ASML, a critical and highly complex process in chipmaking. Union Minister Ashwini Vaishnaw noted that lithography is the most precise stage of semiconductor production. ASML's expanding presence in India is expected to attract other global equipment makers, drawn by the country's strong design capabilities and large, skilled talent pool.

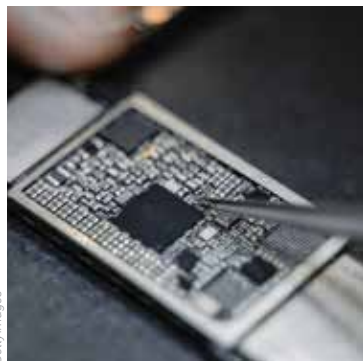
NDTV Profit | 24 January 2026

Kaynes Semicon Signs Fiscal Support Pact Under India Semiconductor Mission

Kaynes Semicon Private Limited, a wholly owned subsidiary of Kaynes Technology India Limited, announced



pixels.com



Getty Images

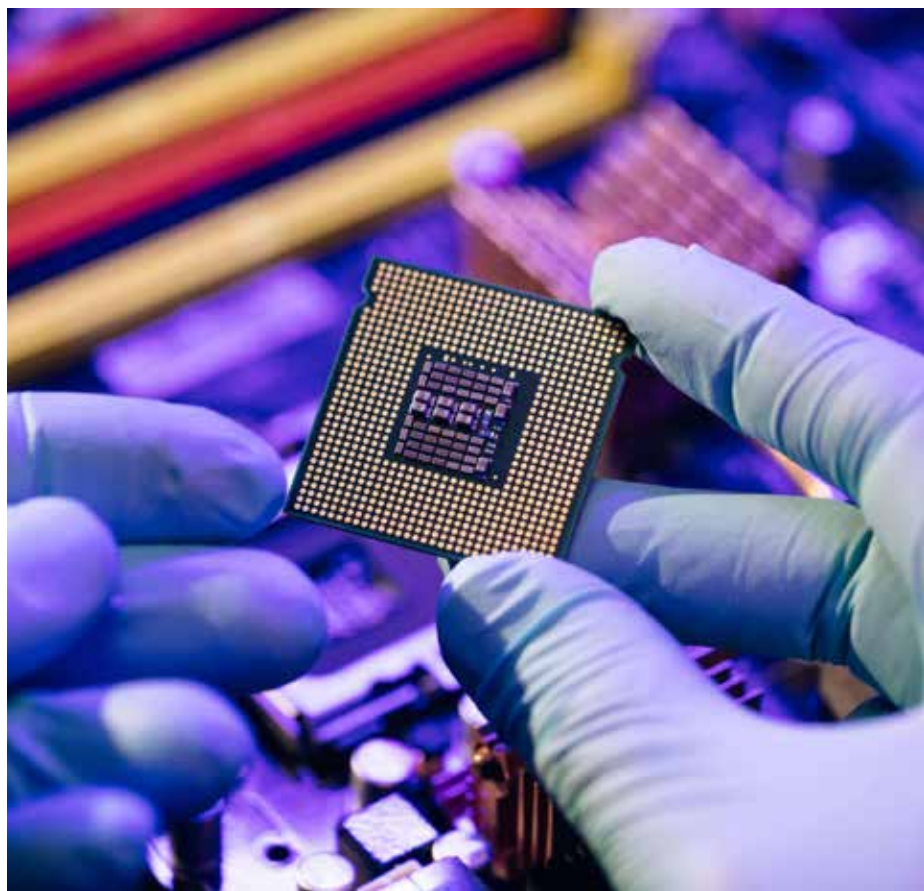
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the execution of its Fiscal Support Agreement and all related transaction documents with the India Semiconductor Mission under the Government of India. The signing represents a critical procedural milestone in operationalising eligible fiscal support as outlined in the scheme guidelines for strengthening India's semiconductor manufacturing ecosystem. This step underscores the Government of India's sustained commitment to the success of the India Semiconductor Mission and to building robust domestic capabilities in a strategically vital sector. For Kaynes Semicon, the agreement reinforces its commitment to operating with high standards of governance, transparency, and regulatory compliance as it scales its semiconductor initiatives. The company has reiterated its intent to play a leadership role not only in execution but also in shaping India's semiconductor manufacturing landscape, in close alignment with the country's long term industrial and strategic priorities.

CXO Today | 17 January 2026

Not Fabs, but Fundamentals: Why India-Germany's Chip Pact could Reshape New Delhi's Semiconductor Ambitions

India and Germany have strengthened their high-tech cooperation with the signing of a Joint Declaration of Intent on the India-Germany Semiconductor Ecosystem Partnership during German Chancellor Friedrich Merz's visit to India. Moving beyond a conventional trade or investment agreement, the declaration outlines a multi-layered framework to deepen strategic technology engagement and support India's efforts to build a domestic semiconductor manufacturing ecosystem. At a time when semiconductors are critical to economic competitiveness, national security and artificial intelligence, the partnership reflects a shared understanding that developing a chip industry involves much more than setting up capital-intensive fabrication



plants. While the global semiconductor narrative is dominated by Taiwan, China and the US, Germany plays a vital role in the industry's backbone. As Devroop Dhar of Primus Partners notes, Germany excels in areas such as chip manufacturing equipment, chemical inputs and precision engineering, segments of the value chain where India currently has gaps. Leveraging these strengths could help India move up the global semiconductor value chain.

Business Today | 16 January 2026

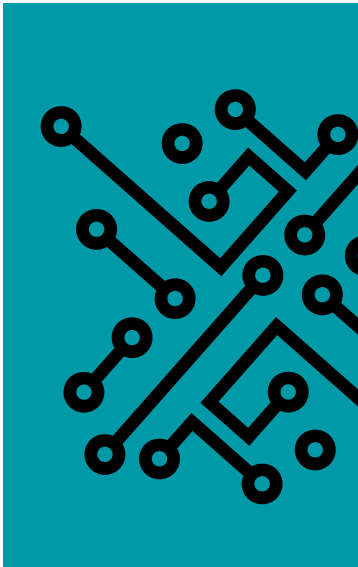
India Targets Top-Four Semiconductor Rank by 2032; Ashwini Vaishnaw Outlines 2035 Roadmap

India is poised to emerge as a major global force in semiconductor manufacturing, ranking among the top four countries by 2032 and aspiring to be among the best worldwide by 2035, according to Union minister for electronics and IT Ashwini Vaishnaw. Under the Semicon India Programme,

the government has so far approved 10 semiconductor manufacturing units, including two fabrication plants and eight assembly, testing, and packaging units, with cumulative investments of around ₹1.6 lakh crore. Four chip companies are expected to begin commercial production in 2026. Early movers such as Kaynes and CG Semi, which began pilot production last year, will scale up first, followed by Micron. Tata's semiconductor plant in Assam is expected to start pilot production by mid-year and commercial operations by year-end. India's chip design capabilities are also gaining strength. Through the Design Linked Incentive (DLI) scheme, 24 startup-led design projects worth ₹920 crore are being supported. Vaishnaw highlighted that students at 298 Indian universities are now designing and validating chips, a scale unmatched globally, positioning India as a key player in the semiconductor value chain over the next decade.

The Times of India | 09 January 2026

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INFORMATION
TECHNOLOGY

AI Disruption Hits India's Core IT Revenue Model, but New Money-Making Avenues Emerge

After a period of robust expansion between 2020 and 2024, supported by global demand for cloud adoption and digital transformation, Indian IT companies faced a slowdown in 2025 as uncertainty around technology spending began to affect business performance. Earnings visibility weakened, with several firms reporting modest revenue growth, delayed deal finalisations and pricing pressures. Rising wage costs and higher onsite expenditure further compressed operating margins, while geopolitical tensions reduced discretionary technology investments among major clients in the US and European Union. The downturn was reflected in stock market performance, with the Nifty IT index emerging as one of the weakest sectoral performers in 2025, registering a notable decline compared with gains in the broader Nifty 500 index. The trend continued into 2026, as mounting concerns over artificial intelligence-led structural changes intensified investor caution and weighed further on sectoral returns.

The Economic Times | 09 March 2026

Infosys-Anthropic Tie-up Signals New AI Upside for Indian IT Sector

India's IT services sector may be better positioned in the artificial intelligence era than previously expected, according to a report by Jefferies. Initially, automation and AI were feared to threaten revenues and jobs in the industry, contributing to weak market performance. However, increasing enterprise adoption of AI is opening new avenues, particularly through the development of specialised systems tailored to individual companies. Many businesses now prefer smaller, domain-focused language models trained on proprietary data rather than relying entirely on large general-purpose platforms. This shift creates

demand for services such as system integration, data migration and customised implementation, areas where Indian IT providers have established strengths. The trend indicates that the sector could evolve into a key enabler of corporate AI adoption, suggesting a more positive long-term outlook than earlier expectations.

The Economic Times - CIO | 20 February 2026

India's Top Firms Suffer A ₹12,000 Crore Labour Code Blow in Q3

The IT sector faces the sharpest impact from the new labour laws, as higher social security payouts and enhanced retirement benefits significantly increase employee costs. Consulting firms caution that rising wage bills could further squeeze margins at a time when India Inc. is grappling with macroeconomic headwinds and global uncertainty. Among 25 companies reviewed, four leading IT services firms—TCS, Infosys, HCL Technologies and Tech Mahindra—accounted for 39% of the total financial hit. Within the BFSI segment, the contribution stood at 19%. TCS reported a ₹2,128-crore impact in the December quarter, while Infosys set aside ₹1,289 crore. HCL Technologies made a provision of ₹956 crore, and Tech Mahindra earmarked ₹272.4 crore.

Mint | 13 February 2026

AI Tools won't Bypass Indian IT: Nasscom after Anthropic Jolt

Artificial intelligence tools are unlikely to replace the technology services offered by Indian IT companies, Nasscom said, arguing instead that AI will redefine and augment their role. Responding to concerns around automation tools such as Anthropic's Claude Cowork, which aims to automate functions across legal, sales, marketing, and data analysis, the industry body said fears of disruption to India's globally competitive IT services sector are misplaced. Nasscom highlighted that large enterprises typically operate complex technology ecosystems with

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interconnected systems and fragmented data. In such environments, generating real business value from AI requires close coordination, human oversight, and a deep understanding of business context and workflows. AI, it said, cannot be deployed as a simple out-of-the-box solution. Indian IT services companies have already accelerated their data and AI capabilities by investing in platforms, partnering with AI firms and hyperscalers, upskilling talent, and pursuing mergers and acquisitions.

NDTV Profit | 05 February 2026

India-US Trade Deal Brings Glimmer of Hope for Beleaguered IT Services Cos

The India-US trade deal has brought a measure of relief to the Indian IT sector, which has been under pressure from global macroeconomic headwinds and cautious client spending. Industry analysts note that the agreement has eased concerns that IT services might be drawn into

a wider trade conflict, providing reassurance that offshore delivery models remain unaffected. This clarity has helped improve market sentiment and reduced uncertainty around future policy actions. The deal is also expected to help US clients, the largest market for Indian IT firms, resume decision-making on large contracts that had been delayed. Uncertainty around tariffs and rapid adoption of artificial intelligence had slowed deal cycles. Investor sentiment reflected this optimism, with IT stocks posting strong gains a day after the announcement. Midcap companies outperformed larger peers due to higher US exposure, with Persistent Systems, Wipro, and TCS among the top gainers.

Business Standard | 03 February 2026

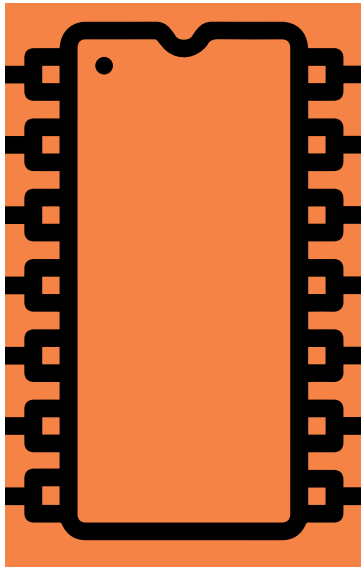
New Labour Codes Set to Dent India Inc's Q3 Earnings, IT Firms Face Margin Pressure

Indian companies are witnessing pressure on profitability in the third

quarter, particularly within the information technology industry, where labour costs form a significant share of total expenditure. Leading IT firms, including TCS and Infosys, have been affected by the implementation of new labour codes rolled out toward the end of November. These rules have raised statutory, wage-linked contributions, leading to a noticeable increase in employee-related expenses. As a result, operating margins have narrowed and earnings performance for the December quarter has weakened across several labour-intensive businesses in the sector. Despite this near-term impact, market observers believe the situation may stabilise over time as firms realign compensation structures, improve productivity, and adapt operational strategies to absorb the higher compliance costs. In the longer run, the earnings outlook is expected to improve once cost adjustments are fully reflected.

The Indian Express | 15 January 2026

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CONSUMER
ELECTRONICS**Robot Phones, Foldables and Ultra Cameras: What Stole the Show at MWC 2026**

The focus of the global technology industry moved from the Consumer Electronics Show in Las Vegas to the Mobile World Congress in Barcelona, which had long been considered one of the most important annual events for the smartphone sector. While CES had mainly highlighted advancements in televisions, computers and artificial intelligence, Mobile World Congress traditionally functioned as a key stage for smartphone launches and developments in mobile technology. The exhibition also included tablets, wearable devices, laptops and other connected gadgets, some of which were not typically released in the US market. Major technology brands such as Xiaomi, Oppo, Vivo, Honor and Nothing Technology Limited competed for attention at the event by unveiling new devices, experimental concepts and innovations aimed at advancing the mobile technology ecosystem.

Mint | 07 March 2026

Amazon Expects Strong Double-Digit Sales Growth for Summer Categories in Consumer Electronics Space

Amazon is forecasting strong double-digit growth in the value of sales for summer-related consumer electronics as demand for cooling appliances gains momentum. The e-commerce platform has already started seeing higher sales of products such as air conditioners and refrigerators as temperatures begin to rise after a relatively mild start to the season. According to the company, a key factor supporting this growth is the government's decision to reduce the Goods and Services Tax (GST) on major appliances – including air conditioners, televisions and refrigerators – from 28% to 18%, effective September 22, 2025. Lower taxes are expected to make these products more affordable for buyers. In addition, Amazon believes its recently introduced artificial intelligence tools, designed to offer personalised

recommendations and product options during the shopping process, will further encourage purchases. With summer conditions strengthening, the company expects demand in these categories to accelerate significantly.

The Hindu Business Line | 06 March 2026

India's Budget Smartwatch Bubble Bursts: Sales Plummet, Innovation Lags

India's smartwatch market is experiencing a significant slowdown as consumer interest in inexpensive models fades. Many buyers are moving away from basic smartwatches that attempt to replicate premium products such as the Apple Watch without offering comparable features. Data compiled by Mint from International Data Corporation (IDC) India shows that smartwatch shipments fell to 28.9 million units in 2025, generating about \$780 million in revenue. This represents a sharp decline of nearly 44% compared with 2023, when the market reached a peak with 53.4 million units sold and revenue of \$1.39 billion. Sales in 2025 were also lower than 30.7 million units recorded in 2022 and 35.1 million units in 2024. Analysts attribute the decline largely to a lack of innovation in the budget smartwatch segment and weak repeat purchases, even though more than 150 million devices have been sold in India over the past five years.

Mint | 05 March 2026

Sharp Surge in Memory Chip Prices Triggers 'Shrinkflation' in Consumer Electronics

Rapid increases in memory chip prices, driven by heavy investment in artificial intelligence infrastructure worldwide, are forcing consumer electronics manufacturers to rethink pricing strategies. According to Counterpoint Research, memory costs have risen sharply since late 2025, putting strong pressure on device makers. Although smartphone prices have already increased in recent months, companies are now trying to avoid further hikes by modifying product configurations. Many brands, par-

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ticularly in the mass-market segment, are offering devices with lower memory capacity, simplified hardware features and reduced trade margins to manage rising costs. This strategy resembles the shrinkflation approach used in consumer goods, where product quantity or features are reduced while prices remain stable. By adjusting specifications instead of prices, manufacturers aim to protect demand and remain competitive despite sustained increases in component costs.

The Economic Times | 21 February 2026

Smartphones and PCs may Soon Cost Up to 20% More as AI Fuels Memory Shortage

The swift rise of artificial intelligence technologies is placing intense pressure on global memory chip supplies, leading to steep increases in the prices of RAM and solid-state drives. These cost escalations are gradually affecting the broader consumer electronics market, raising the produc-

tion expenses of smartphones and personal computers. Leading semiconductor suppliers Samsung and SK Hynix have indicated that their fabrication capacity is already fully allocated, leaving limited room to meet surging demand. Market intelligence firm IDC has cautioned that the shortage could persist until at least 2027, signalling a possible end to prolonged periods of low-cost memory. Device manufacturers, including Dell, Lenovo, Xiaomi and Raspberry Pi, have warned that retail prices of electronics could rise by 5 to 20 percent. Many companies have also begun building component inventories to shield themselves from further price volatility.

The Indian Express | 05 January 2026

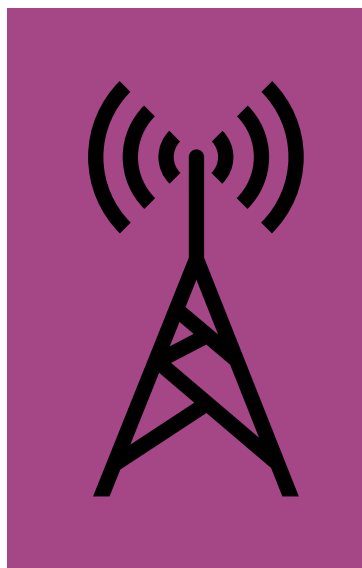
Smartphones Fuel 38% Jump in Electronics Export in FY26, Shows Data

India's electronics export sector demonstrated impressive growth momentum during the first eight

months of FY26, with overseas shipments reaching \$31 billion, reflecting a year-on-year increase of 38 percent, according to data from the Ministry of Commerce & Industry. This performance positioned electronics as the fastest-expanding segment among the nation's leading 30 export categories. Smartphones remained the primary driver of export value, accounting for roughly 60 percent of total shipments at \$18.7 billion, highlighting India's rising importance in global handset supply chains. A significant share of this growth was attributed to Apple, which alone generated \$14 billion in export value through iPhone shipments. The company's contribution represented more than 45 percent of the overall electronics export basket, underlining the increasing role of large global manufacturers in strengthening India's export competitiveness and production ecosystem.

Business Standard | 20 December 2025

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TELECOM

From 5G to 6G, India Building a Global Digital Carriageway: Telecom Minister Jyotiraditya Scindia

Jyotiraditya M. Scindia, Union Communications Minister, said India was rapidly advancing its telecom sector transformation with the aim of becoming both a global manufacturing centre for telecom equipment and a key developer of digital infrastructure and next-generation technologies. He noted that India's expanding capabilities in areas such as 5G deployment and use cases, early development of 6G technologies, artificial intelligence integration, Open RAN architecture and Ethernet-based innovations were strengthening its global technology footprint. Scindia also emphasised that the government was undertaking structural reforms to reinforce the operational strength of public sector telecom provider BSNL while simultaneously deepening the broader digital ecosystem. According to him, these initiatives were helping build a robust "digital carriageway" encompassing manufacturing, advanced applications and future-ready connectivity solutions, thereby positioning India as an increasingly influential player in the international telecommunications and digital innovation landscape.

Moneycontrol | 03 March 2026

Entire 11,790 MHz Telecom Spectrum Available for Auction Valued at Rs 2.1 Lakh Cr: Sources

Telecom Regulatory Authority of India (TRAI) has recommended putting the entire 11,790 MHz of available radio-wave spectrum up for auction, with the total value estimated at nearly ₹2.1 lakh crore at reserve prices if fully subscribed. As part of its framework for spectrum allocation, the regulator proposed easing entry requirements to encourage participation from new players while enforcing a uniform 35% cap on spectrum holdings to maintain competitive balance in the telecom sector. Additionally, TRAI advised that spectrum currently held by insolvent telecom companies should be taken back and added to the auction pool. These recommendations aim to ensure efficient allocation of airwaves, promote fair competition and maximise revenue potential while preventing excessive concentration of spectrum among existing operators.

The Economic Times | 25 February 2026

Supreme Court Says Spectrum of Bankrupt Telecom Operators can't be Sold to Repay Lenders

The Supreme Court has clarified that telecom spectrum constitutes a "material resource of the community" and



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cannot be treated as an ordinary tradable asset under the Insolvency and Bankruptcy Code (IBC). The ruling came during insolvency proceedings of Aircel and Reliance Communications, where lenders attempted to monetise spectrum usage rights to recover outstanding dues. The Court held that spectrum belongs to the people of India, with the government acting as trustee, and emphasised that its ownership and control must serve the common good. It observed that the IBC cannot override the statutory framework governing allocation, control and use of spectrum as a public resource. Rejecting the argument that spectrum usage rights could be shielded from government recovery during insolvency, the bench underscored that state policy must ensure that such resources benefit citizens rather than private interests.

Mint | 13 February 2026

Government Proposes 38% Higher Outlay for Telecom to ₹73,990 Crore, BSNL gets ₹28,473 Crore

India's Union Budget 2026–27 has proposed a significantly higher allocation of ₹73,990 crore for the Department of Telecommunications, representing a 38–40% increase over the previous year's revised estimate of about ₹53,000 crore. The centrepiece is a ₹28,473 crore capital infusion for BSNL, more than four times last year's support, aimed at driving the state-owned operator's revival. According to Telecom Minister Jyotiraditya Scindia, the funding will help BSNL grow "from strength to strength" by meeting critical capex needs such as spectrum acquisition, large-scale 4G and 5G rollout, towers, batteries and internal systems. The Budget also supports BharatNet rural broadband expansion as part of a broader ₹1.39 lakh crore push, building on packages since 2019 to make BSNL competitive and sustainably profitable and extend high-speed connectivity to underserved regions nationwide across the country.

The Hindu | 01 February 2026



Economic Survey Highlights Telecom PLI's Big Success

India's telecom sector has shown significant progress under the production-linked incentive (PLI) scheme, with exports growing at an average annual rate of 1.5% between FY21 and FY25, while imports fell sharply by 18.5%, the Economic Survey 2025–26 noted. Introduced in 2021 with an outlay of ₹12,195 crore, the scheme has attracted over ₹4,700 crore in investments. Telecom equipment exports jumped 51.2% year-on-year in FY25, reinforcing telecommunications as a foundational pillar of the digital economy, contributing about 1.2% to Gross Value Added. Connectivity indicators have improved markedly. Telephone connections rose from 933 million in 2014 to over 1.2 billion by November 2025, with rural growth outpacing urban areas. Internet subscriptions crossed 101 crore, aided by a steep fall in data prices and massive network expansion,

alongside public initiatives such as BharatNet to extend fibre connectivity nationwide.

The Economic Times | 29 January 2026

Centre Delicenses Lower 6 GHz Band for Faster Wi-Fi at Homes

The government has delicensed the lower part of the 6 GHz spectrum, a move expected to significantly improve home Wi-Fi speeds and enable advanced standards such as Wi-Fi 7 in India. The decision has been welcomed by the technology and electronics industry, which sees the change as critical for deploying modern wireless services and easing capacity constraints on existing networks. The Ministry of Communications has exempted low-power indoor and very-low-power outdoor wireless access systems, including Wi-Fi, from licensing in the lower 6 GHz band. Under rules notified on January 21, de-

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As of March 2025, telecom service providers have installed about 4.69 lakh 5G base transceiver stations, making India's rollout one of the fastest worldwide



vices operating in the 5925-6425 MHz range can be used without a licence or frequency assignment, provided they meet strict technical conditions on power levels, bandwidth and out-of-band emissions, and operate on a shared, non-interference basis defined by the government to avoid harmful interference.

The Economic Times | 22 January 2026

India is Now the 2nd largest 5G User with 400 Million+ Users Globally: Jyotiraditya Scindia

India has become the world's second-largest 5G market, trailing only China, and ranks among the fastest adopters globally, Union Communications Minister Jyotiraditya Scindia said. With more than 400 million 5G subscribers, the country is setting global benchmarks in scale, speed and digital transformation. Since the launch of 5G services in 2022, coverage has expanded rapidly across the country. 5G services are now available in 99.6% of districts, covering around 85% of India's population. As of March 2025, telecom service providers have installed about 4.69 lakh 5G base transceiver stations, making India's rollout one of the fastest worldwide, according to Ministry of Communications data. Nearly 250 million mobile users have migrated to 5G services since launch. Meanwhile, rural telephone connections grew by 42.9%, almost double the urban increase, highlighting the technology's expanding reach beyond cities.

The Economic Times | 16 January 2026

TRAI Issues Recommendations on Use of Foreign Sims in Export-Focused IoT Devices

The Department of Telecommunications has put into effect the National Frequency Allocation Plan 2025, marking a significant policy step in strengthening India's digital infrastructure. Under the revised framework, the 6425–7125 MHz frequency range has been earmarked for mobile communication services within the International Mobile Telecommunications category.

This allocation is expected to expand the availability of crucial mid-band spectrum, enabling faster rollout and improved performance of 5G networks while also supporting advancements toward 5G Advanced and the eventual transition to 6G technologies. The policy decision follows sustained representations from major telecom service providers, including Reliance Jio, Bharti Airtel and Vodafone Idea, which have been seeking complete allocation of the 6GHz band for mobile applications. By enhancing spectrum resources, the plan aims to strengthen connectivity, improve network capacity and support India's long-term digital growth ambitions.

The Economic Times - Telecom | 30 December 2025

Telecom Exports Up 72% Since FY21, Imports Steady at ₹51,000 Cr: Scindia

India's telecom sector has recorded notable progress in export performance over the past five years, with outbound shipments rising by 72 percent from ₹10,000 crore in FY21 to ₹18,406 crore in FY25. Union Communications Minister Jyotiraditya Scindia shared this information in the Lok Sabha, emphasising that telecom imports have remained broadly stable at around ₹51,000 crore during the same period. According to the Minister, this pattern reflects strengthening domestic capabilities and a gradual move toward greater self-reliance in telecom manufacturing and services. Addressing the development of satellite communications, Scindia stated that the government is taking proactive measures to ensure nationwide availability of such services. The objective is to provide citizens with a comprehensive range of connectivity options, allowing them to select telecom solutions suited to their needs as well as their budget preferences. These initiatives highlight efforts to build a more resilient and inclusive telecom ecosystem.

Business Standard | 17 December 2025

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ELECTRIC
VEHICLE**Honda Expects Up to \$15.7 Billion Hit from EV Strategy Reassessment**

Honda Motor announced plans to scale back parts of its electric vehicle programme, including canceling the launch and development of select EV models, following a slowdown in demand in the North American market. The company said it expects to incur expenses and losses of up to \$15.7 billion as it reassesses its long-term EV strategy, which could result in its first annual net loss in decades. According to the automaker, the re-evaluation may lead to impairment charges amounting to as much as 2.5 trillion yen for the fiscal year ending March 31 and in subsequent periods. In addition to challenges in North America, the company also anticipated losses linked to investments in China, where rising competition has intensified market pressures. Honda's strategic review comes amid similar cautious moves by global automotive rivals as consumer adoption of electric vehicles in the United States has remained slower than previously expected.

The Wall Street Journal | 13 March 2026

VinFast Hires Seasoned Auto Executives to Accelerate India Expansion

VinFast has been strengthening its leadership team in India by recruiting experienced executives from major global automobile companies as it prepares to expand in the country's electric vehicle market. Over the past eight months, the Vietnamese EV manufacturer hired several senior leaders who previously worked with established automakers including Hyundai Motor Company, Honda Motor Co., Nissan Motor Co., Renault, BMW and MG Motor. Key appointments included Tapan Ghosh, formerly with Hyundai, who was named chief executive officer, and Bhartendu Singh, also an ex-Hyundai executive, who took on the role of chief marketing officer. In addition, Anurag Saxena, previously associated with Honda Motorcycle and Scooter India, joined the company as deputy CEO. The recruitment drive reflects VinFast's strategy of hiring experienced industry professionals, similar to the approach taken by other foreign automakers when scaling operations in India's large and competitive automobile market.

Mint | 11 March 2026



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Top Two-Wheeler Makers Rev Up EV Supply, Distribution to Boost Penetration

Major traditional two-wheeler manufacturers in India are increasing efforts to expand electric scooter availability as they aim to strengthen their presence in the evolving EV market. Hero MotoCorp, TVS Motor Company, and Bajaj Auto together contributed to more than half of the 1.3 million electric two-wheelers sold in the country during 2025. Each company is pursuing different strategies, including addressing production bottlenecks and improving EV availability through wider dealership distribution across India. However, the transition to electric mobility in the two-wheeler segment has progressed slowly. According to data from the Federation of Automobile Dealers Associations, the share of electric two-wheelers increased only marginally from 6.1% of total sales in 2024 to 6.3% in 2025. This modest growth has occurred despite the presence of products from leading manufacturers as well as emerging EV-focused firms such as Ather Energy and Ola Electric, with overall two-wheeler sales reaching 20.3 million units in 2025.

Mint | 05 March 2026

China-Weary Car Firms Cast the Net Wider for Lithium-Ion Cells

India's major car manufacturers are exploring alternative sources for lithium-ion battery cells to reduce dependence on China and protect electric vehicle supply chains. Mahindra & Mahindra, the country's second-largest automaker, has started discussions with Volkswagen Group for future cell procurement through its battery subsidiary PowerCo. Meanwhile, Tata Motors Passenger Vehicles intends to source cells from its group company Agratas, while Hyundai Motor India has signed a partnership with Exide Industries to obtain locally manufactured cells from a gigafactory being built in Bengaluru. Lithium-ion batteries represent more than one-third of the total cost of an electric vehicle, making secure supply

critical for the industry. Automakers are taking these steps after China introduced restrictions on exporting rare-earth magnets used in motors and announced a gradual reduction in export tax incentives for lithium-ion cells from 9% to 6% starting April 1, a move expected to increase global battery prices.

Mint | 03 March 2026

Maruti Suzuki Flips the EV Switch with eVitaras Pricing Play, BaaS Bet

Maruti Suzuki India has formally entered India's electric passenger vehicle market, introducing the eVitaras at an introductory price of ₹10.99 lakh for the 49 kWh battery variant, alongside a battery-as-a-service (BaaS) model costing ₹3.99 per km. The company is combining BaaS, competitive financing, and a nationwide charging and service network to drive EV adoption, which has stagnated at 4–5 per cent over the past two years. The mid-size SUV segment, accounting for around 40 per cent of India's monthly EV dispatches of about 17,594 units, represents the largest EV category and is central to MSIL's strategy. The BaaS approach mirrors models pioneered by JSW MG Motor India, aimed at reducing upfront ownership costs and addressing battery depreciation concerns.

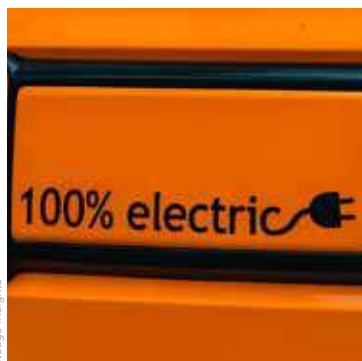
Business Standard | 17 February 2026

Budget 2026: PLI Auto Allocation Doubled to Rs 5,940 Crore; Battery Scheme sees Steep Cut

Union Budget 2026 significantly increased support for the Production Linked Incentive (PLI) scheme for Auto and Auto Components, doubling the allocation to ₹5,940 crore for FY27 from ₹2,818.85 crore in FY26. The revised estimate for FY26 stood at ₹2,091 crore. The ₹25,938 crore PLI Auto scheme aims to boost domestic manufacturing of advanced automotive technologies, with a strong focus on battery electric vehicles and hydro-



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gen fuel cell vehicles. In contrast, the PLI scheme for Advanced Chemistry Cells (ACC) witnessed a sharp reduction in funding. The allocation fell by 44.5% to ₹86 crore in FY27 from ₹155.76 crore in FY26, reflecting slow implementation. As of October 2025, only 2.8% of the targeted 50GWh capacity had been commissioned, entirely by Ola Electric. Reliance New Energy is the only other beneficiary indicating timely commissioning, according to JMK Research and IEEFA.

Business Today | 01 February 2026

Economic Survey 2026: Auto Sector Gets Over ₹35,600 Crore PLI Investment, 49,000 Jobs Created

The Production Linked Incentive (PLI) Scheme for Automobiles and Auto Components, approved in September 2021 with an outlay of ₹25,938 crore, promotes Advanced Automotive Technology vehicles and products. By September 2025, it had attracted ₹35,657 crore in cumulative investment and created nearly 49,000 jobs. Alongside it, the PLI scheme for Advanced Chemistry Cell battery storage, with an outlay of ₹18,100 crore, seeks to localise battery manufac-

turing, with 40 GWh capacity already allocated to strengthen the domestic EV supply chain. Several complementary programmes further support India's EV push. The PM E-DRIVE scheme provides demand incentives for electric two- and three-wheelers, while also backing electric trucks, ambulances, charging infrastructure and testing facilities. The PM e-Bus Sewa PSM ensures payment security for over 38,000 electric buses, and the SMEC scheme encourages domestic manufacturing by linking lower import duties to minimum investment and localisation targets.

CNBC TV18 | 29 January 2026

BYD May Begin Electric Vehicle Assembly in India: Here's Why

BYD is considering setting up local assembly operations in India to address rising demand for its electric vehicles amid strict import limits. Media reports indicate the company is evaluating semi-knocked-down (SKD) or similar assembly models, which involve assembling semi-finished components locally. This move follows India's earlier rejection of BYD's proposal for a full-scale man-

ufacturing plant, citing concerns over Chinese investments. Compared to a full factory, SKD assembly requires lower capital outlay and is easier to navigate from a regulatory perspective. Demand for BYD vehicles in India has surged, with dealers holding hundreds of bookings and much of the December quarter inventory already committed. BYD's sales rose about 88 per cent last year to nearly 5,500 units, though growth remains constrained by high tariffs and import quotas. Local SKD assembly could reduce duties, improve pricing flexibility, and support higher volumes. Currently, BYD sells the Atto 3 SUV and eMax7 MPV in India, along with the Seal and Sealion 7 models.

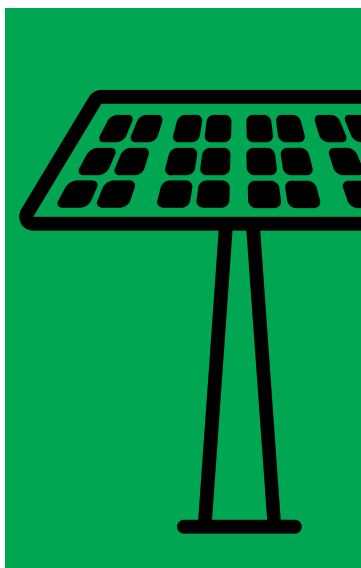
The Times of India | 28 January 2026

India EV Market Hits 2.3 Million Sales in 2025, Policy Support, Festive Demand Drive Adoption

India's electric mobility sector recorded a significant milestone in 2025 as EV sales climbed to 2.3 million units, representing around 8 per cent of all newly registered vehicles during the year. Overall vehicle registrations reached 28.2 million units, with two-wheelers emerging as the dominant category at over 20 million units, accounting for roughly 72 per cent of total volumes. The passenger vehicle segment also demonstrated robust performance, crossing 4.4 million units, while sales of tractors and other agricultural vehicles moved beyond 1.06 million units, reflecting continued rural demand. According to the report, the market maintained consistent growth momentum across the first three quarters. However, a pronounced surge in registrations was observed in the fourth quarter, supported by festive-season buying sentiment as well as the positive influence of GST-related benefits. These trends underline expanding adoption of electric mobility alongside broader strength in India's automotive market.

The Economic Times | 11 January 2026

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DEFENSE & SOLAR ENERGY

Govt Targets Installing 39 Lakh Rooftop Solar Systems Under PMSGMBY in FY27

The Ministry of New and Renewable Energy told the Parliamentary Standing Committee on Energy that the government aimed to accelerate rooftop solar adoption by targeting the installation of around 39 lakh systems with a combined capacity of 11,700 MW in the financial year 2026–27 under the PM Surya Ghar Muft Bijli Yojana. The ministry reported a steady rise in monthly installations, which increased significantly over the past year, indicating growing acceptance of decentralised renewable energy solutions. It also projected that even at a conservative deployment pace, more than 30 lakh additional rooftop systems could be installed by March 2027. According to the ministry's update, over 14 lakh systems had already been installed in FY26 by mid-February, against an annual target of 35 lakh. A substantial portion of the allocated budget had also been utilised, reflecting ongoing efforts to expand household access to solar power.

Business Standard | 13 March 2026

How Zen Technologies Tapped IP-led Growth to Dominate Defence Simulation Market

Hyderabad-based entrepreneur Ashok Atluri transformed his company, Zen Technologies, into a global defence simulation player by prioritising intellectual property and product innovation. Established in 1993 as an IT services venture, the company soon shifted its focus to developing small-arms training simulators instead of remaining a conventional service provider. At its facility in Hardware Park, Zen created advanced training environments that replicate real battlefield conditions, including the sounds and operational dynamics of weapons such as the AK-47 and heavy armoured systems like tanks. The company built its growth strategy around continuous research and development, enabling it to design proprietary defence simulation products. Zen also benefited from

India's defence procurement framework, particularly the IDDM policy introduced in 2014, which encourages indigenous design and manufacturing. By combining innovation with domestic policy support, Atluri successfully positioned the firm as a specialised provider of military training simulation systems.

The Hindu Business Line | 11 March 2026

Sembcorp, Hexa Climate Solutions vie for the India Renewables Business of Italy's Enel in \$300-Million Deal

Sembcorp Industries' Indian renewable energy business and Hexa Climate Solutions are among the bidders seeking to acquire the India renewable portfolio of Enel Group. According to people familiar with the matter, the proposed transaction carries an estimated equity value of about \$100 million and an enterprise value of roughly \$300 million. Sembcorp operates in the country through subsidiaries including Sembcorp India Private Limited and Sembcorp Green Infra Ltd, while Hexa Climate Solutions is supported by investment firm I Squared Capital. The divestment process, being handled by HSBC, comes after a previously agreed deal collapsed last year. Under that earlier agreement, Waaree Energies had planned to acquire 100% of Enel Green Power India Pvt Ltd from its parent company Enel Green Power Development S.R.L. for ₹792 crore. Reports about Enel Group's intention to exit the Indian renewable sector had first surfaced in November 2023.

Mint | 09 March 2026

Waaree Energies Set to Develop Rs 8,000 Crore Lithium-Ion Battery Gigafactory in Andhra

Waaree Energies will establish a major integrated lithium-ion battery gigafactory in Andhra Pradesh with a planned investment of about ₹8,175 crore, marking a significant expansion in India's energy-storage manufacturing capacity. The greenfield facility

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at Rambilli in Anakapalli district will have a production capacity of 16 GWh and will span the entire battery value chain, including cell production, battery pack assembly and large-scale Battery Energy Storage Systems. The project is expected to generate around 3,000 direct employment opportunities. It has secured in-principle approval from the State Investment Promotion Board chaired by Chief Minister N Chandrababu Naidu. Human Resources Minister Nara Lokesh said the initiative represents an important milestone in strengthening the state's transition toward clean energy and advanced manufacturing.

The Economic Times | 19 February 2026

India's Solar Manufacturing Excesses Turn a Boom into a Glut

India's solar manufacturing industry has grown rapidly as government policies and supply chain disruptions encouraged domestic production, but the expansion has now created challenges. Efforts to reduce dependence on imports, particularly from China, led to higher tariffs on solar cells and modules and incentives for

local manufacturers. As a result, production capacity has increased dramatically and now exceeds domestic demand by a wide margin. However, declining exports and weaker plant utilization have raised concerns about oversupply, prompting authorities to advise lenders to be cautious about financing new projects. Earlier, India depended heavily on imported solar modules, but policy changes accelerated investment in local manufacturing. While the expansion supports the country's clean energy transition and industrial development, manufacturers are beginning to move away from lower-margin segments as the industry adjusts to slower growth and increased competition.

The Economic Times | 17 February 2026

Defence Council Clears Procurement of 114 Rafales; Mega Contract Set to Become 'Mother of All Defence Deals'

The Defence Acquisition Council (DAC), chaired by Defence Minister Rajnath Singh, has approved the acquisition of 114 Rafale fighter jets from France in what is expected to be

India's largest defence deal since Independence, valued at around ₹3.25 lakh crore. The government-to-government agreement will be finalised with Dassault Aviation after cost negotiations and Cabinet approval. Around 20 aircraft will be delivered in fly-away condition and inducted into the Indian Air Force by 2030, while the remaining jets will be manufactured in India through a Dassault-HAL collaboration, marking the first time Rafales will be produced outside France. The DAC also cleared the procurement of P-8I Poseidon maritime patrol aircraft from Boeing, along with combat missiles and a high-altitude pseudo satellite system.

The Times of India | 13 February 2026

'Strategic Imperative': India Hikes Defence Budget by 15% to ₹7.85 Lakh Crore

The Union Budget 2026-27 has raised India's defence allocation by over 15%, setting aside ₹7.85 lakh crore in response to evolving geopolitical challenges and the aftermath of Operation Sindoor. Of this, ₹2.19 lakh crore has been earmarked as capital outlay to modernise the armed forces.

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es through procurement of fighter jets, transport aircraft, helicopters, warships, submarines, artillery guns, missiles, rockets, smart weapons and unmanned systems. The capital allocation is nearly 22% higher than the ₹1.8 lakh crore budget estimate for 2025–26 and 17.61% above the revised estimate of ₹1.86 lakh crore. Budget documents indicate that ₹6,454 crore in additional spending on new military hardware this year was largely linked to Operation Sindoor, reflecting increased operational and strategic requirements.

Hindustan Times | 01 February 2026

Boost for Defence Exports as Rajnath Flags Off 1st Batch of Pinaka Guided Rockets for Armenia

India took a significant step forward in defence exports with the shipment of the first batch of guided Pinaka rocket systems to Armenia. Defence minister Rajnath Singh flagged off the consignment from a facility in Nagpur, describing the export as evidence of India's emergence as a reliable supplier of cutting-edge defence technology. The multi-barrel Pinaka rocket launcher, known for its accuracy and extended range, has been actively promoted as part of India's expanding arms export portfolio. The minister highlighted the rapid growth of India's defence industry, noting that exports have risen sharply from less than ₹1,000 crore a decade ago to a record ₹24,000 crore, largely due to increased private sector participation. Domestic defence production has also expanded from ₹46,425 crore in 2014 to ₹1.51 lakh crore. Developed at the Solar Defence & Aerospace facility, Pinaka has evolved significantly since its induction. Originally designed with a 37.5-km range, upgraded versions can strike targets up to 75 km, while trial variants have achieved ranges of 120 km. The Indian Army has already inducted the Pinaka Mk-I Enhanced variant and is now considering the induction of lon-

ger-range rockets under a proposal worth around ₹2,500 crore.

The Times of India | 20 January 2026

Reliance Commissions Solar Cells, Scales Batteries; Eyes Green Fuel Exports to Japan, Korea, Europe

Reliance Industries Ltd has begun moving its new energy business from the construction phase to commissioning, highlighting fresh operational milestones in its Q3 FY26 management presentation on January 16. The company said its heterojunction-based solar cell manufacturing facility in Jamnagar has been commissioned and is now being ramped up. Its solar module manufacturing, which is already operational, has achieved manufacturing yields of 94–95 percent, disclosed publicly for the first time. Reliance is developing an end-to-end solar manufacturing ecosystem in Jamnagar, covering polysilicon, ingots, wafers, cells and modules, with an initial annual capacity of 10 GW that can be scaled up to 20 GW. On upstream integration, the company has commissioned a pilot ingot line and started in-house slicing of G12-size wafers. According to Karan Suri, Senior Vice President – New Energy, the integrated platform is designed to address geopolitical risks such as tariffs and supply-chain disruptions, while supporting large-scale renewable power generation from its Kutch energy hub.

Moneycontrol | 16 January 2026

India Emerges as Key Solar Supplier to US, Exporting Almost 97% of Solar Modules in FY23-25: PL Capital

India's solar manufacturing sector has witnessed a notable rise in export opportunities as declining tariff levels and shifts in global supply chains reshape international trade patterns. According to a PL Capital report, the United States has become

the dominant buyer of Indian solar modules, largely due to restrictions placed on imports associated with China. Between 2023 and 2025, the US accounted for about 97 percent of India's total solar module exports, underscoring the country's growing dependence on the American market. Export volumes expanded rapidly during this period, increasing almost ninefold in 2023 and then doubling again in 2024. This strong growth trajectory has helped position India as a credible alternative supplier within the global solar value chain. The trend reflects rising confidence in India's manufacturing capabilities and highlights its emerging role in meeting international clean energy demand.

The Economic Times | 30 December 2025

Indian Railways' Green Push: Over 2600 Stations now Solar-Powered, 898 MW Commissioned

Indian Railways has intensified its transition toward renewable energy by expanding solar power installations across a growing number of stations. At present, 2,626 railway stations are powered, at least partly, by solar energy, contributing to reduced dependence on conventional electricity sources and lowering operational costs. According to government information, 318 stations were newly connected to the solar network by November in the ongoing financial year, highlighting the pace of progress in adopting sustainable solutions. This initiative forms part of a broader strategy to meet increasing energy demands while minimising environmental impact and promoting greener transport infrastructure. By integrating solar energy into its operations, Indian Railways is also aligning with national goals related to clean energy adoption and long-term sustainability, reinforcing its role as a key driver of eco-friendly public transport systems.

Financial Express | 17 December 2025

INDUSTRY UPDATE



MICRO, SMALL & MEDIUM ENTERPRISES

FTAs, Strong Domestic Demand Boost MSME Prospects: Jitin Prasada

Jitin Prasada, Union Minister of State for Commerce & Industry and Electronics & Information Technology, highlighted the expanding opportunities available to micro, small and medium enterprises due to India's growing network of free trade agreements and its large domestic consumption base. Addressing participants at the Ficci FLO National MSME Awards ceremony, he said that MSMEs capable of delivering products that meet global standards and compliance requirements could leverage these agreements to access international markets more effectively. He noted that India's trade partnerships now extend to a significant proportion of developed economies, opening new avenues for export-led growth. Prasada stressed that the combination of policy support and market access could help Indian MSMEs strengthen their global competitiveness, scale operations and position themselves as important contributors to the country's economic expansion in the coming years.

The Economic Times | 10 March 2026

Centre Launches 7 New EPM Interventions to Push MSME Exports

The government has rolled out seven additional initiatives under the Export Promotion Mission (EPM) to accelerate export growth among micro, small and medium enterprises. The interventions focus on easing access to finance through interest subvention and credit guarantees while also improving logistics support, reflecting India's effort to expand export opportunities through new trade agreements. The mission, a five-year programme running from 2025–26 to 2030–31, aims to lower export costs, diversify markets and enhance competitiveness, particularly for smaller firms. With a total allocation of ₹25,060 crore, the programme is divided between export promotion activities and strategic market development. It is jointly implemented by the

commerce, MSME and finance ministries, with DGFT as the nodal agency. The initiative is intended to overcome structural constraints that limit MSME participation in international trade and to integrate them more effectively into global value chains.

Mint | 21 February 2026

Centre Plans Revival of 200 Legacy Industrial Clusters to Boost MSME Competitiveness

The Economic Survey highlighted India's sustained efforts to promote industrial clusters through a range of policy initiatives over the past few decades. These include the 1997 Industrial Park Scheme, the 2005 SEZ Act, the National Industrial Corridor Development Programme, and sector-focused cluster development in electronics, textiles, and software. Such measures were aimed at fostering manufacturing growth and improving regional industrial ecosystems. Going forward, the Centre plans to undertake a comprehensive review of clusters across sectors such as manufacturing, textiles, and agro-processing. Based on this assessment, it intends to design a plan to revive legacy industrial clusters that may have lost competitiveness. The proposed approach involves upgrading equipment, strengthening skills, and improving overall productivity to modernise and reinvigorate these existing industrial bases.

The Economic Times - Manufacturing | 03 February 2026

Centre Weighs Scaling Up MSME Champions Scheme Outlay Ninefold to ₹10,000 Crore

The MSME Champions Scheme is poised for a significant scale-up, with the government planning to raise its financial outlay to nearly ₹10,000 crore over the next five years. According to officials familiar with the discussions, the proposed increase is part of a broader strategy to support small and medium enterprises in adopting cleaner manufacturing processes, strengthening ex-

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port capabilities, and enhancing global competitiveness. This would represent a substantial jump from the ₹1,125 crore allocated for the scheme during the FY22–FY26 period, underscoring the Centre's renewed focus on MSMEs as drivers of sustainable growth. Industry stakeholders have long argued that limited funding has constrained the scheme's impact, particularly at a time when global supply chains are shifting and environmental standards are becoming more stringent. One official indicated that the revised outlay could range between ₹8,000 crore and ₹10,000 crore and that the proposal has already reached the Expenditure Finance Committee stage. If approved, the enhanced allocation is expected to provide MSMEs with greater access to technology, cleaner production methods, and capacity-building initiatives, helping them compete more effectively in international markets while aligning with India's broader manufacturing and export ambitions.

Mint | 20 January 2026

MSME Loans of Over Rs 52,300 Cr Sanctioned by PSBs Under Digital Credit Model

India's MSME sector is showing strong signs of structural improvement, as reflected in its rising contribution to gross domestic product. Once viewed primarily as a support segment, MSMEs are now emerging as a key growth engine, benefiting from policy support, improved access to credit, and formalisation initiatives. The steady increase in their GDP share underscores the sector's expanding scale and productivity, as well as its ability to generate employment and support domestic value chains. Exports from MSMEs have also witnessed a remarkable expansion, reportedly tripling in recent years. This surge points to enhanced competitiveness, greater participation in global supply chains, and better compliance with international standards. Equally significant is the decline in non-performing assets associated with MSME lending, suggesting improved financial health and more effective risk management by both enterprises and lend-

ers. Lower NPA levels reflect stronger cash flows, better governance, and the impact of targeted credit and restructuring measures. Collectively, rising GDP contribution, export growth, and falling NPAs indicate a more resilient and globally integrated MSME sector, capable of supporting India's long-term economic and trade ambitions.

The Economic Times | 19 January 2026

Centre Rolls Out Interest Support, Credit Guarantee to Push MSME Exports

The Centre has introduced two key financial support measures to strengthen exports by micro, small and medium enterprises (MSMEs), days after launching the Market Access Support (MAS) intervention under the Export Promotion Mission (EPM). Rolled out under the Niryat Protsahan sub-scheme of the EPM, the initiatives include an interest subvention scheme and an export credit collateral guarantee, aimed at addressing persistent working capital and financing challenges faced by small exporters. The measures are designed to lower the cost of export credit and improve access to finance for MSMEs, particularly during critical stages such as shipment and realisation of export proceeds. The first intervention offers interest support on both pre- and post-shipment export credit, providing a base interest subvention of 2.75% on rupee-denominated export loans extended by eligible lending institutions. This is expected to reduce borrowing costs and ease liquidity pressures for smaller exporters. In addition, the government may offer an extra incentive for exports to under-represented or emerging markets, subject to operational readiness, to encourage diversification of export destinations.

Mint | 02 January 2026



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India and Netherlands Establish Joint Trade and Investment Committee to Strengthen Bilateral Economic Cooperation

India and the Netherlands signed an MoU to establish the Joint Trade and Investment Committee (JTIC) to strengthen trade, investment, and economic ties. The JTIC will enable regular dialogue, review trade relations, promote investments, address barriers, and explore collaboration, co-chaired by senior officials from both countries' ministries.

Press Information Bureau (PIB) | 19 December 2025

Continued Validity of BIS Standards for Aluminium and Steel Components

Revised Indian Standards covering aluminium products, structural steel, steel chain slings, lifting hooks, and steel wire for hose reinforcement have been brought into effect from 29 December 2025. The corresponding earlier versions of these standards will continue to remain valid concurrently until 29 June 2026, allowing a transition period before withdrawal.

Bureau of Indian Standard, Department of Consumer Affairs | Notification. No. CG-DL-E-08012026-269160 | 1 January 2026

Interest Subvention Scheme Launched for MSME Export Credit

Interest Subvention for pre- and post-shipment rupee export credit has been launched under Export Promotion Mission – Niryat Protsahan to support MSME exporters. Implemented via the Reserve Bank of India, it offers 2.75% annual interest relief on eligible credit, capped at Rs 50 lakh per exporter per year.

Directorate General of Foreign Trade | Notification No. 20/2025-26 | 2 January 2026

Anti-Dumping Duty on n-Butanol Imports Extended till July 2026

The Finance Ministry has extended anti-dumping duty on normal butanol imports from the EU, Malaysia, Singapore, South Africa, and the US until 12 July 2026. The duty will remain in force during the review period and may be revoked, amended, or continued based on its outcome.

Ministry of Finance, Department of Revenue | Notification No. CG-DL-E-08012026-269214 | 8 January 2026

Amendment to Electrical Accessories Quality Control Requirements

The quality control requirements under the Electrical Accessories (Quality Control) Order, 2023 have been revised by removing IS 7809 (Part 3/Sec 1): 1986 on PVC insulating tapes from

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mandatory standards. This standard will no longer apply under the Order, while all other requirements remain unchanged.

Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade | Order No. CG-DL-E-13012026-269319 | 13 January 2026

Revised Eligibility Criteria for Battery Electric Vehicles under PLI-Auto

The incentive eligibility conditions for Battery Electric Vehicles under the PLI Auto Scheme have been revised with category-specific performance benchmarks. The earlier reliance on FAME-II criteria has been replaced by defined standards for electric two-, three-, and four-wheelers, including buses, trucks, and quadricycles, aligned with relevant PM E-DRIVE and applicable notifications.

Ministry of Heavy Industries | Notification (Amendment) No. CG-DL-E-13012026-269327 | 13 January 2026

Electronic Postal Exports Brought Under Customs Export Procedures

The amendment expands the customs framework to include electronically processed postal exports under Section 84, treating them on par with shipping bills and bills of export. It updates clearance, loading, and documentation provisions, aligning references across rules to enable smoother, consistent handling of such exports.

Ministry of Finance, Department of Revenue | Notification No. CG-DL-E-15012026-269367 | 15 January 2026

Amendments to Customs and Central Excise Duty Drawback Rules

Revisions have been made to Rules 8, 12, 13 and 14 of the Customs and Central Excise Duties Drawback Rules, 2017, updating provisions related to

the administration, processing, and regulation of duty drawback claims. The amendments refine procedural aspects of the drawback mechanism and take effect in accordance with the notified changes.

Ministry of Finance, Department of Revenue | Notification No. CG-DL-E-15012026-269366 | 15 January 2026

Use of Low Power and Very Low Power Wireless Access System including Radio Local Area Network in Lower 6 GHz band (Exemption from Licensing Requirement) Rules, 2026

The new rules de-license low and very low power Wi-Fi and similar systems in the 6 GHz band (5925-6425 MHz), allowing licence-free indoor and limited outdoor use under strict power limits. Operations are on a non-interference basis, with restrictions on use in vehicles, aircraft, drones, and offshore platforms.

Ministry of Communications | Notification No. CG-DL-E-21012026-269488 | 20 January 2026

The World Customs Organization has now formally accepted the HS 2028 amendments, paving the way for their global entry into force on 1 January 2028

The HS 2028 amendments, effective 1 January 2028, introduce stricter and more detailed classification of plastic waste and single-use plastics. For electronics firms, this means clearer HS codes for packaging, casings, and waste streams, enabling better differentiation between recyclable, reusable, and sensitive materials, and strengthening trade and compliance oversight.

World Customs Organization | 21 January 2026

Extension of timelines for implementing the Order covering product categories listed in the CRO schedule under S.O. 1929(E)

The implementation date for compulsory BIS registration of "Television Sets" (Sl. No. 64 of the Electronics and IT Goods CRO, 2021) for compliance with IS 18112:2022 has been extended from 26 January 2026 to 26 July 2026.

Ministry of Electronics and Information Technology | Notification No. CG-DL-E-22012026-269529 | 22 January 2026

Standard for telecommunication equipment (generic requirements IoT Gateway)

The notification brings three updated TEC technical standards into force for telecom equipment – covering splice closures for optical fibre cables, lightning and surge protection of telecom sites, and SMPS-based power plants – under the Telecommunication Act, 2023 and related rules, effective from the Gazette publication date.

Ministry of Communications, Department of Telecommunications | Notification No. CG-DL-E-24012026-269578 | 23 January 2026

Telecommunication Engineering Centre notifies revised telecom equipment standards

The Ministry of Communications announced revised standards for telecommunication equipment. This update aligns with ongoing efforts to modernize India's telecom certification framework under the MTCTE regime, ensuring enhanced compliance, interoperability, and safety for devices like IoT gateways and active DAS systems.

Ministry of Communications, Department of Telecommunications | Notification No. CG-DL-E-24012026-269577 | 23 January 2026

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Startup Definition Revamped

The notification replaces 2019 guidelines, expanding Startup eligibility to include companies, LLPs, partnerships, and cooperatives (≤ 10 years, $\leq ₹200$ crore turnover), and introduces a “Deep Tech Startup” category (≤ 20 years, $\leq ₹300$ crore). It simplifies DPIIT recognition, adds compliance checks, and allows revocation for misuse.

Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade | Notification No. CG-DL-E-05022026-269843 | 04 February 2026

Platinum Articles Import Restricted

The notification revises ITC(HS) 71141920 (platinum articles) from “Free” to “Restricted” import policy with immediate effect, allowing only re-imports of Indian-origin goods for exhibitions/export promotion, rejected/unsold returns, or repairs under new Policy Condition 6 of Chapter 71.

Ministry of Commerce and Industry, Department of Commerce, Directorate General of Foreign Trade | Notification No. 58 / 2025-26 (CG-DL-E-07022026-269873) | 05 February 2026

BIS Amendments for Automotive Components

Amendments are made to four Indian Standards relevant to automotive electronics and components – electric horns (IS 1884:1993, Amendment 4), pneumatic passenger car tyres (IS 15633:2022, Amendment 2), horn installation (IS 15796:2008, Amendment 4), and windscreen wiping/washing systems for M1 vehicles (IS 15804:2008, Amendment 3) – effective Feb 6, 2026, with prior versions valid until Aug 5, 2026.

Bureau of Indian Standards (Department of Consumer Affairs) | Notification No. CG-DL-E-12022026-270085 | 10 February 2026

**IRC Amendment Bill Passed**

The Industrial Relations Code (Amendment) Bill 2026, introduced in Lok Sabha on February 11 and swiftly passed by both houses, substitutes section 104(1) to explicitly repeal the Trade Unions Act 1926, Industrial Employment (Standing Orders) Act 1946, and Industrial Disputes Act 1947 effective November 21, 2025, removing legal ambiguities from the 2020 Code's rollout for managing workforce transitions, strikes, and standing orders under unified labour framework.

Lok Sabha | Bill No. 33 of 2026 (CG-DL-E-11022026-270061) | 11 February 2026

MSME QCO Exemption Expanded

Recent amendments exempt micro and small enterprises (investment $\leq ₹1$ crore in plant/machinery, turnover $\leq ₹5$ crore last FY, Udyam-registered, CA-certified) from BIS Quality Control Orders on electronics-relevant items like electric ceiling fans, air coolers/filters, laboratory glassware, plus lighters, potable water bottles, welding rods/electrodes, insulated flasks/bottles/containers, and furniture.

Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade | Notification No. CG-DL-E-13022026-270118 | 12 February 2026

RoDTEP Rate Rationalisation: 50% Cut Effective Immediately

RoDTEP benefits for all HS lines under Appendices 4R and 4RE are now restricted to 50% of existing rates and value caps, effective immediately, to rationalize export incentives across sectors including electronics and semiconductors.

Ministry of Commerce and Industry (Department of Commerce) (Directorate General of Foreign Trade) | Notification No. 60/2025-26 | 23 February 2026

New Indian Standards Introduced Across Cloud, Connectivity, and Asset Management

New Indian standards effective 18 February 2026 update guidelines for cloud computing, data centre cooling, and asset management, with older norms to be withdrawn by 18 August 2026. They also cover optical fibre testing, coaxial cable voltage tests, USB 4 requirements, and frameworks for active assisted living and ethical AI.

Bureau of Indian Standards, Department of Consumer Affairs | Notification No. CG-DL-E-25022026-270453 | 24 February 2026

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BIS Withdraws Steel Wire Spec for Bearings

The Bureau of Indian Standards has withdrawn IS 4882:1979 for low carbon steel wire used in bearing rivets, effective 18 February 2026. Its removal may require manufacturers to shift to alternative materials, updated global standards, or new domestic specifications to maintain compliance in production.

Bureau of Indian Standards, Department of Consumer Affairs | Notification No. CG-DL-E-26022026-270502 | 25 February 2026

BIS Amends Conformity Assessment Regulations, Introduces Advance Fee and MSME Relief

The Bureau of Indian Standards has amended its 2018 Conformity Assessment Regulations, effective 25 February 2026, mandating advance fee payments and enabling suspension for non-payment. It strengthens the Self-Declaration of Conformity scheme with third-party checks, updates fees and validity periods, and offers MSME concessions until May 2029.

Bureau of Indian Standards, Department of Consumer Affairs | Notification No. CG-DL-E-26022026-270512 | 25 February 2026

Anusandhan National Research Foundation (Utilisation of Research Development and Innovation Fund) Financial Rules, 2026

The Ministry of Science and Technology has notified the ANRF Financial Rules, 2026, to govern use of the Research Development and Innovation Fund. Effective upon Gazette publication, the rules enable structured allocation of funds for research projects, following prior public consultation and provisions under the ANRF Act, 2023.

Ministry of Science and Technology, Department of Science and Technology | Notification No. CG-DL-E-05032026-270684 | 02 March 2026

New Indian Standards for rolling bearings and automotive vehicle dynamics test methods established

A BIS notification under Rule 15(1) introduces revised standards for rolling bearings (IS 2898 Part 1:2026, IS 6455:2026) and vehicle dynamics testing (IS 17128 Parts 4 & 5:2026), effective 27 February 2026, with old versions withdrawn by 27 August 2026. These apply to mechanical and automotive domains, not electronics.

Bureau of Indian Standards, Department of Consumer Affairs | Notification No. CG-DL-E-07032026-270723 | 06 March 2026

MeitY Amends BIS Compulsory Registration Order for Electronics Goods

MeitY has amended the 2021 Compulsory Registration Order to clarify exemptions for Highly Specialized Equipment (HSE). Effective 15 June 2026, low-volume units (under 100 per model/year) meeting specified power, size, or weight criteria are exempt, easing compliance for industrial electronics while retaining earlier amendments.

Ministry of Electronics and Information Technology | Notification No. CG-DL-E-10032026-270817 | 10 March 2026

Cabinet approves changes in guidelines on investments from countries sharing land border with India

The Union Cabinet has approved amendments to Press Note 3 (2020), defining 'Beneficial Owner' and permitting automatic route FDI up to 10% for non-controlling stakes. It also sets a 60-day approval timeline for government route cases, aiming to boost investment, technology access, and manufacturing in key sectors.

Union Cabinet, Government of India | Press Release | 10 March 2026

New Standards for Cloud Computing, Smart Cards, Dependability Management, QR Codes, Data Centres, Cybersecurity, and RF Exposure

New Indian Standards effective 6 March 2026 cover cloud computing, ID cards with biometric ICs, dependability management, QR code symbology, data centre infrastructure, cryptographic module testing, and RF exposure assessment. Earlier versions will remain valid concurrently until 6 September 2026 before withdrawal.

Bureau of Indian Standards, Department of Consumer Affairs | Notification No. CG-DL-E-12032026-270896 | 12 March 2026

Aluminium and Aluminium Alloy Products (Quality Control) Order, 2026

The order replaces the 2025 version, mandating BIS Standard Mark certification under Scheme-1 for 17 aluminium and alloy products. Exemptions include exports and limited R&D imports. MSMEs receive phased compliance timelines, while violations attract BIS Act penalties and must follow the latest applicable standards.

Ministry of Commerce and Industry, Department for Promotion of Industry and Internal Trade | Notification No. CG-DL-E-13032026-270938 | 13 March 2026

Electricity (Amendment) Rules, 2026

The notification revises Rule 3 of the Electricity Rules, 2005, clarifying captive plant norms. A plant qualifies as captive if users hold at least 26% equity and consume 51% of output. It defines SPVs and group entities, sets verification mechanisms, and imposes surcharges for non-compliance, with most provisions effective immediately.

Ministry of Power | Notification No. CG-DL-E-14032026-270954 | 13 March 2026

Capex & Capital Equipment: Unlocking India's \$500 Billion Electronics Manufacturing Goal



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Capex and supply chains form the backbone of electronics manufacturing. Unfortunately, unlike China, India has not been strong in these two critical areas. The main reasons in the past were an inadequate market size, low-cost imports of components and machinery (especially from China), the Information Technology Agreement (ITA), which kept duty structures too low, and limited access to technology. This resulted in low investment interest from Indian industry. Until about a decade ago, the government also did not pay sufficient attention to the electronics sector despite its strategic importance.

However, over the past decade, there has been a significant shift in the government's approach – both at the Centre and at the state level. Recognising the need for proactive support to the electronics manufacturing industry, initial policies focused on promoting the assembly of high-volume products through the Production Linked Incentive (PLI) scheme.

Building on this success, efforts are now expanding to support the manufacture of materials, components,

and capital equipment through the Electronics Component Manufacturing Scheme (ECMS) and other programmes. The government is also encouraging technology development by funding centres of excellence and research labs, while several state governments are offering additional incentives. Though delayed, these measures are expected to drive growth in these sectors.

India's Electronics Push: The Capital Equipment Perspective

The Government of India has set an ambitious target for the electronics industry – to grow from the current level of around \$150 billion to \$500 billion by 2030. This is a formidable challenge and will require the government and industry to work in tandem. At present, the capex segment in India presents a mixed picture, with a strong presence in some areas and limited or no presence in others. The following table provides an overview of the sector-wise status of local availability of capital equipment.

VIEWPOINT



Sectoral Share of Capital Equipment in the \$150 Billion Electronics Output (Approx.)

Sector	Estimated Share	Value (\$ B)	Role in Ecosystem
Consumer Electronics	35–40%	~175–200	Volume driver
IT Hardware	15–20%	~75–100	Enterprise backbone
Telecom Equipment	10–15%	~50–75	Infrastructure
Industrial Electronics	10–15%	~50–75	Automation, EVs
Components (Passives, PCBs, etc.)	15–20%	~75–100	Supply chain core
Semiconductors	5–10%	~25–50	Strategic layer

Estimated Capex Requirement to Achieve the \$500 Billion Electronics Target

Sector	Output (\$ B)	Capex Intensity	Capital Equipment Required (\$ B)
Consumer Electronics	~180	15–18%	25–32
IT Hardware	~85	18–22%	15–20
Telecom Equipment	~60	20–25%	12–16
Industrial Electronics	~65	20–30%	13–18
Components	~85	25–35%	22–30
Semiconductors	~40	80–120%	35–50

It is evident that India remains weak in local capital equipment across most emerging and high-volume segments, which is a matter of concern. While China took a couple of decades to develop capital goods in these areas, it was supported by the scale of production for both domestic and global markets. Leveraging this experience and volume, Chinese manufacturers are able to offer components and capital equipment at costs that are difficult to compete with.

VIEWPOINT

Layer	Local Capability	Status
1	PCB fabrication	Partial strength
2	Assembly (SMT)	Moderate
3	Passive components equipment	Weak
4	Materials processing	Weak
5	Testing & automation	Growing
6	Semiconductor	Assembly and fab equipment are fully imported, with no local capability

Considering the capex requirements needed to achieve the \$500 billion target, it would be risky to continue relying on imports at current levels. This also presents a significant opportunity for Indian capex manufacturers to tap into a large and growing market. While no country can produce all its capital equipment domestically, a substantial portion of the requirement should be met within India.

There is a growing recognition of the need to bridge this gap in capex availability. Companies such as Inettest, MEL Systems, Wipro PARI, Titan Engineering, and several others are investing in facilities and capability development in this space. They are also seeking government support through the Electronics Components and Semiconductors Manufacturing Scheme (ECMS) and other initiatives. In addition, many overseas companies are planning to establish manufacturing facilities in India to leverage this emerging opportunity.

Reasons for the Lack of Adequate Capex Manufacturing

1. **Low volumes of product manufacturing:** Domestic consumption and exports of key electronics products were relatively low until recently. However, in the past few years, there has been a significant expansion in both the Indian market and exports, driven by the China+1 strategy and the maturation of domestic EMS

companies. This is expected to act as a trigger for the growth of the capex industry.

2. **Low cost of imported capex:** This remains a critical challenge, built up over several decades. Addressing it will require a multi-pronged effort involving the government, end users, and Indian capex manufacturers.
3. **Lack of technology:** Much of the capex available in India is manual or semi-automatic, making it unsuitable for high-volume, modern electronics manufacturing. It is important to incentivise technology transfer to Indian companies and encourage leading global manufacturers to establish facilities in India and offer advanced equipment.
4. **Limited domestic user support:** The domestic industry tends to prefer imported equipment for the reasons outlined above. However, closer collaboration with Indian capex manufacturers is essential to build capabilities. This could include facilitating technology transfer through overseas partners, providing long-term contracts, and ensuring remunerative pricing to support sustained development.

Government's Role in Incentivising the Capex Industry

1. **ECMS and need for PLI:** While the

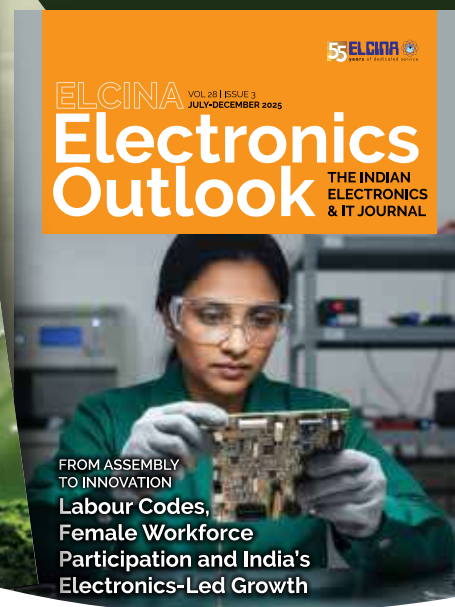
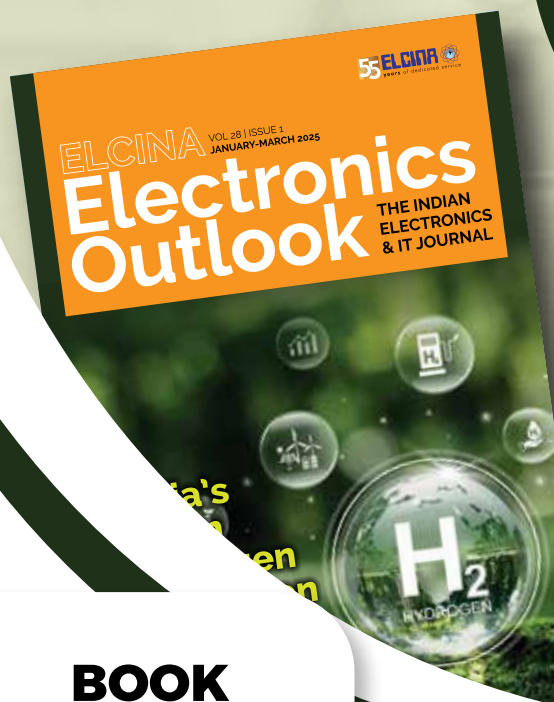
ECMS offers a 25% subsidy, this may be insufficient for the capex sector. Unlike earlier schemes, the industry would benefit more from a PLI-type mechanism. Although initial investments in capex manufacturing can be moderated by outsourcing components, competing with low-priced imported equipment remains a major challenge – making PLI support critical.

2. **Incentivising domestic users:** To encourage the adoption of indigenous capex, the government could introduce interest subvention schemes for domestic users purchasing locally manufactured equipment.
3. **Duty protection:** For categories where reliable domestic capex is already available, the Government of India may consider calibrated duty protection to counter the impact of low-priced imports.
4. **Support for R&D:** The government should consider partial funding for R&D in high-technology areas involving critical processes, such as batteries, displays, passive components, SMT lines, and semiconductors, to accelerate domestic capability development.

India should draw lessons from the experience of China and Southeast Asian nations in developing a holistic ecosystem – leveraging both domestic and export potential to build a robust industrial base. This would involve strengthening the entire value chain, from materials, R&D, and product development to high-volume manufacturing, capex development, and supply chain capabilities. Achieving this will require close collaboration between the government and industry, aligned toward a common goal.

India is well positioned to emerge as a key player in the global electronics manufacturing ecosystem. With strong partnership and alignment between the government and industry, these ambitions will not only become a reality but will do so with a greater degree of self-reliance.

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India-EU Trade Deal: A Strategic Boost to India's Electronics and Semiconductor Roadmap

It is now widely acknowledged that the old world order has been fundamentally disrupted, reshaping global alliances in ways that remain uncertain. Amid continual shifts in US trade policy that have injected volatility into global commerce, countries are seeking stability through diversified partnerships. One such strategic realignment is the long-delayed free trade agreement (FTA) between India and the European Union, covering nearly two billion people across India and the EU's 27 member states.

With a combined market estimated at over INR 2091.6 lakh crore (USD 24 trillion), the agreement – expected to take effect in 2027 following legislative ratification – positions both sides to significantly deepen trade cooperation. It promises enhanced market access, expanded consumption opportunities, and the potential emergence of India and the EU as stronger long-term trading partners.



Getty Images

ANALYSIS

Strategic Gains for India

For India, the trade agreement delivers preferential access to EU markets across 97% of tariff lines, covering 99.5% of trade value. While multiple industries stand to benefit, the timing is particularly advantageous for India's fast-growing electronics and semiconductor ecosystem, especially as PLI and ISM 2.0 initiatives scale up.

India's engineering exports to the EU – including electronics components and machinery – currently face tariffs as high as 22% under Most Favoured Nation (MFN) rates. Despite India's USD 16.6 billion annual engineering shipments into the EU's USD 2 trillion import market, these duties have constrained competitiveness.

Under the **FTA, tariffs across nearly all relevant HS codes will be phased down to zero over 5-10 years**. This removes the earlier 8-22% cost disadvantage Indian exporters faced vis-à-vis competitors such as China, **enabling MSMEs and PLI-backed firms to scale exports of goods such as PCBs, power modules, telecom equipment, and more to European OEMs**.

Lower-Cost High-Tech Imports and Capex Rationalization

The agreement also provides India with a competitive European source for advanced technology imports, reducing reliance on geopolitically sensitive suppliers such as China and Taiwan.

Tariffs on key HS 84 and 85 items - including critical semiconductor manufacturing equipment, lithography tools, and advanced testing systems - are expected to fall from 40-44% to zero. This could lower capital expenditure for PLI-backed fabrication plants and electronics manufacturing services (EMS) players by 20-40%.

The resulting cost rationalization enhances project viability for semiconductor fabs and OSAT facilities, while improving downstream price competitiveness in products such as smartphones and consumer appliances.

Access to standards-compliant EU machinery also strengthens Indian MSMEs' ability to qualify as Tier-2 suppliers within Europe's USD 750 billion electronics market.

Flexible Rules of Origin and Global Value Chain Integration

The flexible Product Specific Rules (PSRs), a key feature of the FTA, allow Indian manufacturers to use **cost-effective non-originating inputs – such as Chinese wafers or Asian copper foil – while still qualifying for zero-duty EU exports**.

Where traditional agreements require 40-60% local value addition, the relaxed PSRs (for example, 35% regional content plus tariff-heading change for certain HS 85 components) accommodate India's continued import dependence. This pragmatic framework **enables MSMEs and PLI-backed firms to competitively assemble PCBs, capacitors, and modules without full localization**, accelerating integration into global value chains.

Self-Certification and Faster Market Access

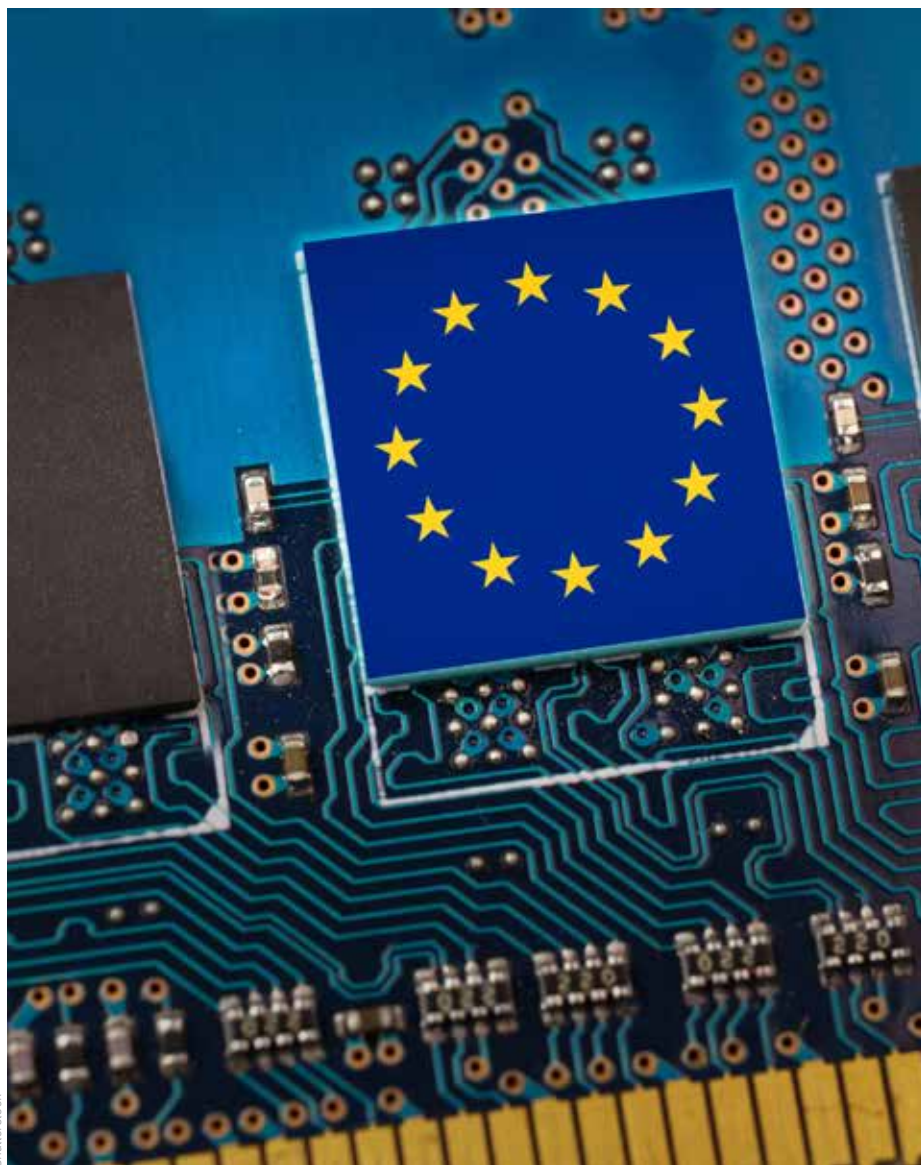
The introduction of self-certification of origin **allows exporters to submit a digital Statement on Origin via an on-line portal** rather than rely on time-consuming third-party certification.

This reform **reduces export compliance timelines from 3-7 days to near-instant digital validation, cutting administrative costs by roughly 70%**. For electronics manufacturers, this ensures faster shipments to EU customers, making possible just-in-time delivery models and seamless integration with European OEM supply chains.

CBAM Cooperation and Clean-Tech Alignment

The agreement incorporates structured cooperation on the EU's Carbon Border Adjustment Mechanism (CBAM). A dedicated annex aligns

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emissions monitoring, reporting, and verification (MRV) systems between India and the EU, **helping exporters manage potential carbon-related compliance costs beginning in 2026.**

While not granting exemptions, the framework promotes technical dialogue, mutual recognition of carbon accounting methodologies, and collaborative emissions reduction efforts. This is **particularly relevant for EV batteries, power modules, and electronics manufacturing reliant on steel and aluminium inputs.** By aligning with the EU's net-zero transition, Indian firms can strengthen their position within European clean-tech supply chains.

Facilitation and Streamlining

Tariff rate quotas (TRQs) secure preferential access to key inputs – such as aluminium foil used in PCBs – protecting downstream manufacturers from supply disruptions.

Additionally, Chapter 4 introduces a single-window customs system and binding advance rulings for duty classification. **Export clearance timelines for semiconductor testing equipment and wafer tools are expected to shrink from 5-7 days to 1-2 days.** Risk-based inspections and paperless processing increase predictability and speed, supporting PLI hubs competing in the China+1 diversification cycle.

India-EU FTA Timeline

Year(s)	Key Milestones
2026	January: Negotiations conclude
	February-June: Legal scrubbing
	July-December: EU governments approve - Official signing ceremony
2027	Q1: Ratification - Entry into force
	Immediate: 30-70% HS 85 tariffs to 0%
	Single window / self-certification live
2028-2030	Majority tariffs phased (5-year schedule)
2031+	Joint Committee reviews

When examined as a whole, the trade deal marks more than a tariff-reduction exercise. By combining market access, capital cost reduction, flexible sourcing rules, and carbon alignment, the agreement strengthens India's backward linkages and encourages deeper OEM partnerships.

The result is a structural shift – from basic assembly toward higher-value semiconductor fabrication and advanced electronics manufacturing. Once the FTA is ratified and comes into effect, it is expected to position India's electronics and semiconductor players more firmly within global value chains.

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Union Budget 2026-27: Key Announcements and What They Mean for the Electronics Industry

The Union Budget 2026-27 gives a meaningful boost to the electronics sector by expanding manufacturing incentives, easing key supply-chain bottlenecks, and strengthening self-reliance across components, semiconductors, and critical materials. This analysis examines the Budget through three lenses relevant to the electronics sector. It first distils the Budget's strategic policy signals, highlighting how government priorities are shifting toward deeper manufacturing, component self-reliance and ecosystem building. It then reviews the customs and tariff measures that support these objectives by reshaping input costs and manufacturing incentives, before analysing the statutory customs and GST amendments notified through the Budget that alter compliance, import behaviour and tax treatment.

I. Strategic Policy Signals for the Electronics Sector

Strong Push Toward Component-Level Self-Reliance

The Budget sharply increases support for electronics components through a ₹40,000 crore outlay under the Electronics Components Manufacturing Scheme (ECMS). The focus is on PCBs, display modules, camera modules, connectors, and MEMS sensors – areas where India still relies heavily on imports. This signals a clear shift from

assembly-led growth to component depth. If implemented well, it can reduce import dependence, improve supply-chain resilience, and raise domestic value addition. However, success will depend on speed of rollout, cost competitiveness, and scale achieved by domestic suppliers.

Semiconductor Ecosystem Moves Beyond Fabs

India Semiconductor Mission (ISM) 2.0 is launched with funding for fab equipment, ATMP facilities, compound semiconductors, design IP, and skilling. A separate ₹25,000 crore Design Incentive Fund supports IC design, EDA tools, and verification. The approach is broader and more realistic – strengthening packaging, testing, and design alongside fabrication. This helps India participate in global semiconductor value chains even before large-scale fabs mature. The design focus also supports fabless and system companies.

PLI Evolution: From Volume to Value Addition

PLI schemes continue but with tighter performance-linked disbursements. Electronics PLI 2.0 emphasizes deeper localization, especially for laptops, IT hardware, and wearables. Credit guarantees and working capital support are expanded for component makers. PLI is being refined rather than expanded

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blindly. The shift rewards firms that invest in real manufacturing depth, not just output volumes. This may slow some players but strengthens long-term competitiveness.

Customs Duty Policy Aligned With Manufacturing Needs

Zero or reduced BCD on capital goods for lithium-ion batteries, semiconductor wires, display inputs, rare earth concentrates, and critical materials. Several exemptions and surcharge waivers are extended, including for electronics parts and toys. Lower input and capex costs improve project viability, especially for new plants. The policy direction is clear: duties are being used as a facilitation tool rather than a blunt protection measure.

Rare Earths and Critical Minerals Become Strategic Priorities

Four Rare Earth Corridors, incentives for beach sand mineral processing, stockpiling mandates under the National Critical Minerals Mission, and viability gap funding for separation plants. This directly supports electronics, EVs, and renewable energy supply chains. Reliable domestic access to rare-earth magnet materials is critical for long-term electronics and hardware security, though exe-

cution and environmental clearances will be key risk factors.

Tax and Compliance Relief to Improve Cash Flows

Safe harbour rules for component suppliers, tax holidays for foreign capital goods suppliers in bonded zones, MAT credit extensions, reduced buy-back taxes, and higher presumptive taxation thresholds. This improves ease of doing business and liquidity, particularly for mid-sized manufacturers and global suppliers working with Indian EMS players. Design and IT-enabled electronics services also benefit.

MSME and Startup Enablement

A ₹10,000 crore SME Growth Fund, a ₹1,000 crore deep-tech startup fund, and restored 200% R&D deduction for in-house electronics R&D till FY30. This helps smaller firms scale, invest in technology upgrades, and move into higher-value activities. It strengthens the bottom of the electronics pyramid, which is essential for a robust ecosystem.

Workforce, Inclusion, and Skilling Focus

₹5,000 crore for electronics and semiconductor skilling, apprentice-

ship-linked PLI incentives, and additional benefits for factories with higher female workforce participation. Skill shortages remain a bottleneck, especially in PCB assembly, testing, and fab operations. The Budget acknowledges this constraint, though industry participation will determine real outcomes.

Infrastructure, Energy, and Data Ecosystem Support

Electronics-focused freight corridors, subsidies for green energy use in fabs and plants, and viability gap funding for data centre parks. Lower logistics costs and reliable power are critical for electronics manufacturing. Data centre expansion will also drive demand for servers, networking equipment, and cooling hardware.

Export Competitiveness and Trade Facilitation

Higher Remission of Duties and Taxes on Export Products (RoDTEP) rates for components, rationalized Quality Control Orders, and review of FTAs to improve access to intermediates. These steps reduce friction for exporters and make Indian components more competitive globally. Consistency in QCO implementation will be important to avoid disruptions.

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II. Customs and Tariff Measures Relevant to the Electronics Sector

Basic Customs Duty (BCD) reduced on Monazite from 2.5% to Nil, effective 2 February 2026

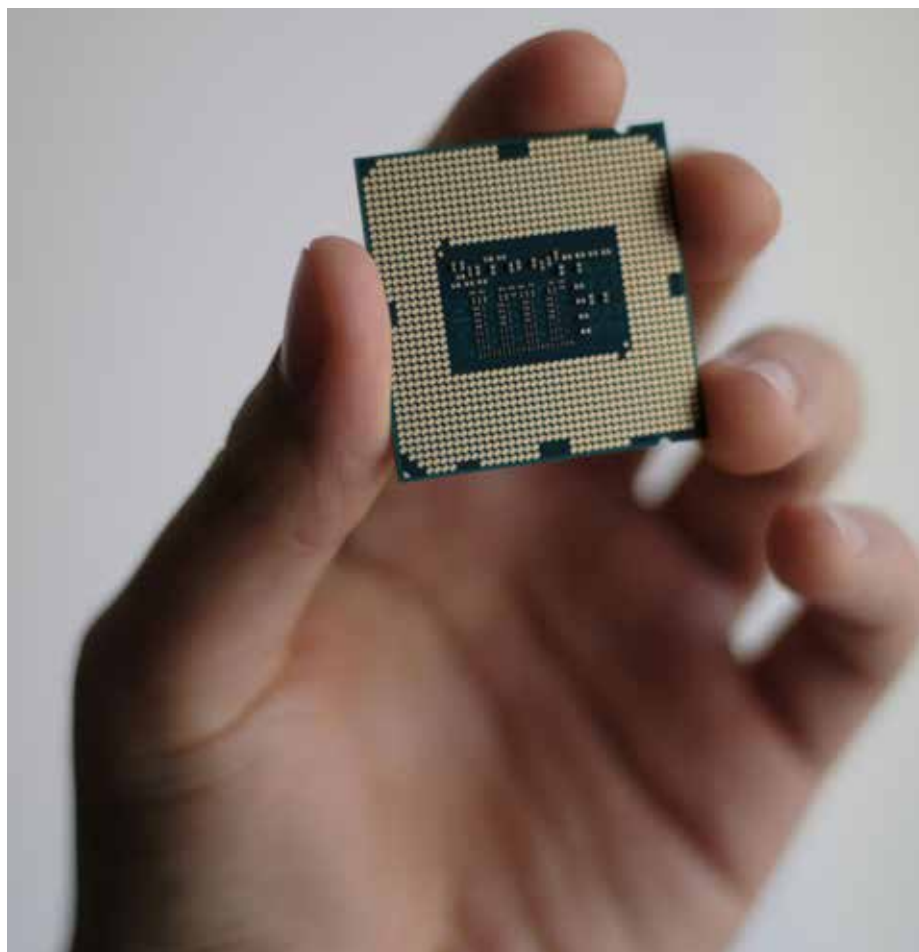
The clean rate cut removes the remaining customs duty on monazite, a key rare-earth mineral used to produce rare-earth oxides and downstream materials. Lower monazite costs improve the viability of domestic rare-earth separation and processing – critical for magnets, motors, sensors, and other components used across EVs, renewables, defence, industrial drives, HDDs, and select semiconductor equipment. Duty-free imports reduce raw-material costs, support emerging rare-earth corridors and REPM initiatives, and, over time, help lower India's dependence on Chinese intermediates across the critical-materials value chain.

All inorganic and organic compounds of rare earth metals made duty-free

Rare-earth compounds – such as oxides, chlorides, and fluorides – are essential inputs for permanent magnets, phosphors, specialty ceramics, and catalysts used in motors, sensors, hard-disk drives, displays, and other advanced electronic components. Cutting basic customs duty to Nil lowers input costs for domestic rare-earth processing and magnet/phosphor manufacturing, directly supporting the “rare-earth corridors” and Rare Earth Permanent Magnet (REPM) schemes targeting EV motors, wind turbines, and industrial automation. Over time, this can enable localisation of magnet assemblies, high-efficiency motors, and precision actuators, reducing dependence on imported rare-earth intermediates across EVs, industrial electronics, and select semiconductor-equipment subsystems.

Critical minerals tariffisation: Tellurium, silicon, selenium and rare-earths

Concessional basic customs duty rates on tellurium, silicon, silicon di-



oxide, selenium, rare-earth metals, and other critical minerals have been incorporated directly into the Customs Tariff from 1 May 2026, with earlier exemption entries withdrawn but no change in effective duty. This “tariffisation” reduces dependence on frequently amended exemptions and provides greater policy certainty for investments in critical-mineral refining and downstream manufacturing. For the electronics and semiconductor ecosystem, these minerals underpin photovoltaic manufacturing, compound semiconductors, infrared optics, and power-electronics materials, helping de-risk long-cycle investments in wafers, advanced materials, and related chemical processes.

Unwrought, waste/scrap and powder forms of gallium, germanium, indium, niobium and vanadium made fully duty-free

These five minerals are core inputs for advanced electronics and semiconductors. Gallium and indium are

critical for compound semiconductors and optoelectronics; germanium is used in high-speed photonics and infrared optics; while niobium and vanadium support high-strength, high-temperature alloys and specialised coatings for power electronics and aerospace applications. Reducing basic customs duty to Nil lowers input costs for Indian refiners and downstream processors, supporting domestic ecosystems in compound semiconductors, RF and power devices, advanced packaging, and high-reliability components – strengthening supply security and cost competitiveness for local fabs, OSAT/ATMP units, and high-end electronics manufacturing.

Budget extends Nil duty on key chemicals used to make EVA/PoE encapsulant and backsheets for solar PV modules till 31 March 2028

By reducing raw-material costs for Indian producers of encapsulant and backsheets – critical layers

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that protect photovoltaic cells and determine long-term module reliability – the measure improves the cost competitiveness of domestically manufactured solar modules. A cheaper and more reliable local module supply strengthens the energy base for fabs, EMS plants, and data centres, while creating upstream demand for specialty polymers, adhesives, and film-coating equipment. Alongside other Budget measures on solar glass and critical minerals, this supports a more integrated domestic clean-energy and electronics manufacturing ecosystem.

Sodium antimonate for solar glass and certain beryllium/rhenium salts fully duty-free, with the solar-glass relief available up to 31 March 2028

This time-bound relief lowers the cost of producing high-clarity photovoltaic glass, reducing module costs and strengthening domestic PV glass and cell/module manufacturing. A more competitive solar hardware ecosystem improves access to clean, reliable power for energy-intensive fabs, EMS clusters, and data centres, while also supporting local production of PV-line equipment, control electronics, and balance-of-system components. Separately, exempting beryllium and rhenium salts supports high-temperature, high-reliability materials used in power electronics, aerospace, and precision instrumentation, enabling domestic manufacture of advanced connectors, thermal-management parts, and sensors while reducing dependence on imported assemblies.

Refined copper wire and rods for photovoltaic ribbons and interconnects kept at Nil duty until 31 March 2028, with a clearer, expanded description of eligible solar uses

The exemption covers refined copper used in PV ribbons, tinned copper interconnects, and related cell and string interconnect components. This time-bound relief lowers the cost of tabbing wires and busbars that are critical to module efficiency and long-term reliability, strengthening the domestic PV metallisation and intercon-

nect ecosystem. More competitive local solar modules support lower power costs and stronger energy security for fabs, EMS plants, and data centres, while also building capabilities in precision rolling, plating, and fine-wire manufacturing that align closely with advanced electronics and connector production.

Silicon inputs for un-diffused wafers and solar cells: Nil-duty benefit lapses

The Nil basic customs duty on silicon used for un-diffused silicon wafers, and on un-diffused wafers for solar cells and modules, will lapse on 31 March 2026. This marks a clear policy shift away from implicitly subsidising imported silicon and wafers toward encouraging domestic processing and wafering. While the change may modestly raise costs for manufacturers still reliant on imports, it strengthens incentives to invest in local wafer manufacturing and upstream materials processing, supporting deeper value addition and longer-term supply-chain resilience across the electronics and solar PV ecosystem.

Be/Re salts and rare-earth compounds: Nil duty consolidated

Basic customs duty on salts of oxometallic and peroxometallic acids of beryllium and rhenium, and on inorganic and organic compounds of rare-earth metals, remains at Nil, with existing exemptions consolidated under a single framework and extended without rate changes. This effectively locks in a zero-duty regime for advanced beryllium, rhenium and rare-earth compounds used in catalysts, high-temperature alloys, phosphors, advanced ceramics and magnet precursors. For electronics and semiconductors, these inputs underpin high-reliability power devices, aerospace and defence electronics, specialty substrates, and magnet- and actuator-based systems, while policy certainty supports long-gestation investments in strategic, materials-intensive manufacturing.

Key parts used in manufacturing microwave ovens made Nil-duty until 31 March 2028, to deepen local value addition in consumer electronics.

The exemption covers key electro-mechanical and heating inputs – such as AC motors, transformers, electric heating resistors and related parts – imported specifically for microwave production. It is intended to encourage manufacturers to move beyond CKD/SKD assembly toward deeper localisation of motors, power supplies, magnetron-related assemblies and heating sub-systems. More predictable input costs support scale, tooling and process investments in motors, transformers and power-electronics-adjacent components that are common across appliances and some industrial electronics. Over time, this can strengthen domestic supply chains for wound components, resistive elements and control assemblies used not only in microwave ovens but across a wider range of consumer and light-industrial electronic products.

Budget renews and consolidates a 5% concessional duty window for key parts, materials and forgings used in wind-turbine manufacture and maintenance, up to 31 March 2028.

Basic customs duty has been retained at 5% on a defined set of wind-turbine components, including special bearings, gearboxes, yaw components and turbine controllers; rotor-blade parts; balsa wood and carbon fibre for blades; and forged steel rings for specialised bearings. Consolidating earlier fragmented entries into a single provision and extending the concession until 31 March 2028 simplifies compliance and provides medium-term policy certainty for wind OEMs and suppliers. More affordable wind components help lower renewable-power costs for data centres, semiconductor fabs and large EMS plants, while sustaining demand for precision bearings, control electronics and advanced composites – areas that overlap with electronics, power-electronics and industrial monitoring supply chains.

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Nil customs duty granted on raw materials used by Defence PSUs to make aircraft parts for Maintenance, Repair or Overhaul (MRO) of defence aircraft and their engines, until 31 March 2028.

The measure covers a broad set of raw inputs – across metals, composites, fasteners and specialised materials – used in aircraft parts, components and engine sub-assemblies for defence aviation MRO. By fully exempting basic customs duty, it lowers lifecycle maintenance costs and encourages localisation of critical spares and repair sub-systems within India's defence aviation supply chains. For the electronics ecosystem, a stronger domestic MRO base sustains demand for avionics, sensors, power-electronics modules, embedded systems and test equipment – capabilities that closely overlap with high-reliability civilian electronics – reinforcing the broader push to deepen aerospace and defence manufacturing as electronics and software intensity per platform continues to rise.

Components and parts (including engines) used to manufacture aircraft, and aircraft parts, fully duty-free until 31 March 2028.

Nil basic customs duty has been extended to components and parts, including engines, imported for aircraft

and aircraft-parts manufacturing in India, subject to end-use conditions. Removing duties of 2.5-10% lowers setup and input costs for aircraft assembly and aerostructures, improving India's attractiveness for OEMs and tier-1/2 suppliers. The measure also boosts demand for avionics, sensors, power-electronics modules, wiring harnesses and test equipment, creating opportunities for Indian electronics and EMS firms while strengthening high-reliability, safety-critical electronics capabilities with spillovers into defence, automotive and industrial markets.

Customs duty cut to Nil on key nuclear reactor fuel elements and absorber rods used for nuclear power generation.

Both capital and operating costs get lowered for India's expanding nuclear power fleet by making fully duty-free non-irradiated fuel elements and cartridges, along with control, protection and burnable absorber rods. Nuclear power is being positioned as a stable, low-carbon baseload source. In the long run cheaper nuclear equipment can accelerate capacity additions, improving long-term power availability and price stability for fabs, ATMP units, display fabs and large EMS campuses that require highly reliable, round-the-clock electricity.

Deferred payment of customs duty broadened and simplified for manufacturers

The deferred-duty framework now allows eligible manufacturer-importers to clear goods immediately and pay accumulated customs duty on specified deferred dates, easing cash-flow pressure and administrative burden for high-frequency importers. The scheme has also been simplified with standardised payment timelines: duties are payable by the 1st of the following month for all months except March, with March dues settled by 31 March.

For electronics and semiconductor players – fabs, OSAT/ATMP units, EMS plants and large component manufacturers that import wafers, chemicals, gases and equipment – this reform expands access, improves payment predictability, reduces working-capital lock-up and streamlines customs operations.

III. Statutory Customs and GST Amendments for the Electronics & Telecom Sector

Tariff Rate Changes – Notification Nos. 01/2026-Customs and 02/2026-Customs

The Union Budget 2026 has brought about material tariff rationalisation impacting the Electronics and Telecommunication sector, primarily through Notification No. 01/2026-Customs (amending the First Schedule to the Customs Tariff Act, 1975) and Notification No. 02/2026-Customs dated 1 February 2026 (amending exemption Notification No. 45/2025-Customs).

A key policy shift evident from these notifications is the systematic withdrawal and sunset-based lapse of long-standing customs exemptions under Chapter 85, replacing a notification-driven concessional regime with standard tariff rates prescribed in the First Schedule. Several exemptions that earlier provided Nil or reduced Basic Customs Duty (BCD) to electronics and telecom equipment

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or parts have either been omitted with immediate effect (02-02-2026) or allowed to lapse on 31-03-2026, with duty reverting to the applicable First Schedule rates from 01-04-2026.

Notably, parts of radio trunking terminals (HS 8529 90 90), which were earlier subject to BCD at 5% under Sl. No. 285 of Notification 45/2025-Customs, have seen the exemption entry omitted by Notification No. 02/2026-Customs, resulting in an immediate increase of BCD to 15% with effect from 02-02-2026. Similarly, recorded media including educational CD-ROMs (HS

8523), earlier exempt under Sl. No. 287, are now liable to BCD at 10% upon omission of the entry.

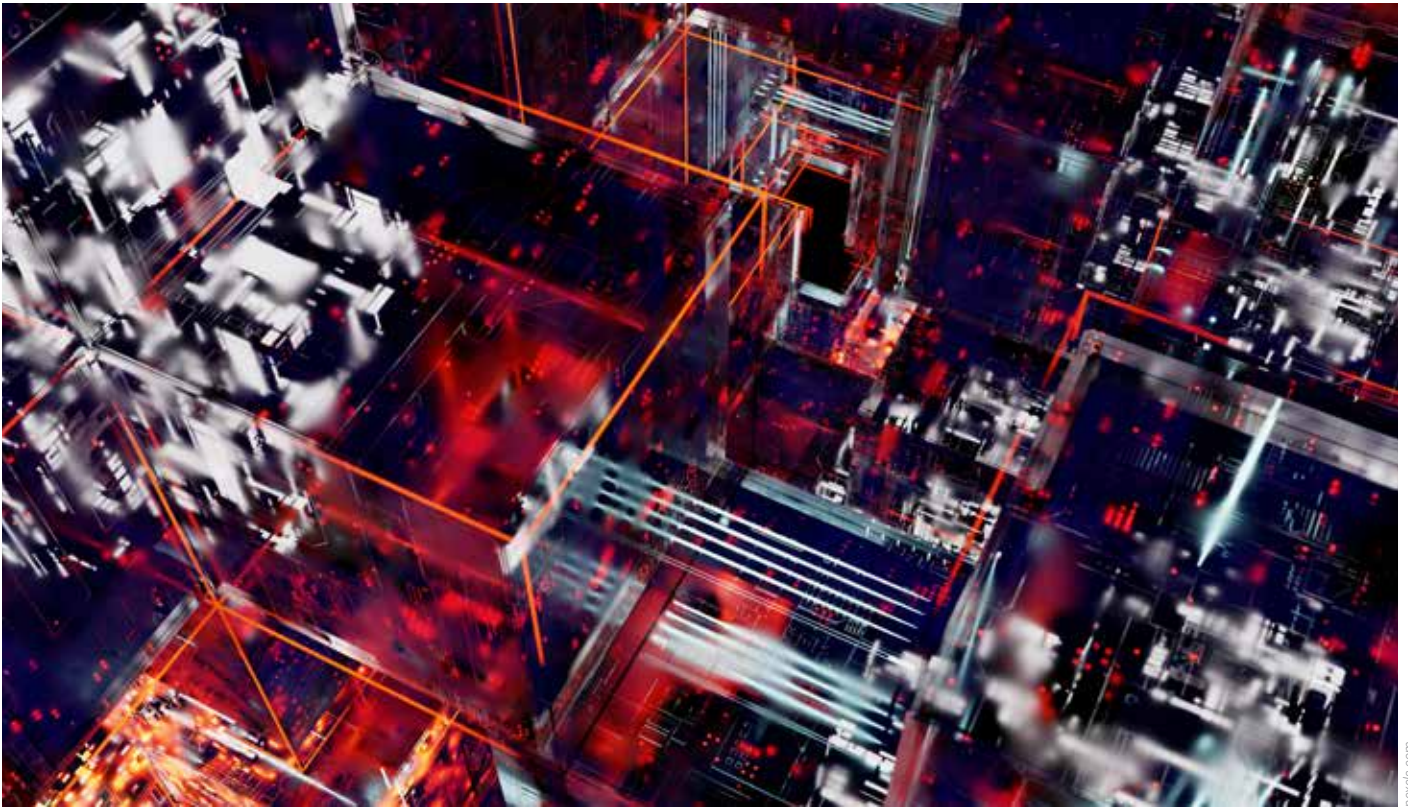
Further, multiple exemptions relating to camera equipment, digital still/video camera parts, CCTV systems, DVR/NVR equipment, and testing or evaluation imports, all of which are of high relevance to the electronics and telecom ecosystem, have been explicitly allowed to lapse on 31-03-2026, without extension. From 01-04-2026, such goods will attract the standard BCD rates as per the amended First Schedule, significantly increasing

import costs for OEMs, EMS players, and telecom infrastructure providers.

At the same time, Notification No. 02/2026-Customs introduces a targeted manufacturing incentive by inserting Sl. No. 278A, granting Nil BCD on select components (HS 8501, 8504, 8516) when imported for use in the manufacture of microwave ovens, valid till 31-03-2028. This selective concession reinforces the government's policy preference for product-specific domestic manufacturing support, rather than broad-based exemptions.

Sl. No.	HS Code	Description	Pre-Budget BCD	Post-Budget Amendment BCD	Effective Date
1	Ch. 85	TV / film equipment imported by foreign film or TV crews	Nil (Valid upto 31/3/2026)	As per First Schedule	01/04/26
2	Ch. 85	Re-import of photographic, filming, sound & radio equipment			
3	8501 10 20	AC synchronous / fan motors	Standard BCD	Nil (subject to compliance with IGCR Rules)	02/02/26
4	8504 31 00	Transformers			
5	8516 80 00	Electric heating resistors			
6	8516 90 00	Parts of microwave ovens			
7	8529 90 90	Parts of Radio Trunking Terminals	5%	15%	
8	8523	Educational CD-ROMs / recorded media	Nil	10%	
9	Ch. 85	Parts & Components of Digital Still Image Video Cameras	Nil (Valid upto 31/3/2026)	As per First Schedule	01/04/26
10	8525 / 8528 / 8529 / 8507	DVR/NVR, CCTV, TV reception parts, Li-ion components	Nil / concessional (Mostly till 31/03/2026)	Mixed (lapse or extension)	To be Notified
11	85437099	Raw Materials or parts for use in manufacture of e-Readers	5% Concessional Rate (Valid upto 31/3/2026)	As per First Schedule	01/04/26
12	8523/3706	Motion Pictures, music, gaming software for use on gaming consoles printed or recorded on media	Concessional Rate (Valid upto 31/3/2026)		
13	8525 / 8526 or 8527	Battery separators & parts suitable for use solely or principally with the apparatus of Headings 8525, 8526 or 8527'	Exemption (Valid upto 30/4/2026)		01/05/26

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Procedural and Compliance Changes – Notification Nos. 12/2026-Customs and 13/2026-Customs

In addition to tariff changes, Notification Nos. 12/2026-Customs and 13/2026-Customs introduce procedural and compliance-oriented amendments that have a deep but less visible impact on the Electronics and Telecommunication sector.

These notifications signal a tightening of the end-use exemption framework, with increased emphasis on post-import verification, traceability of use, and strict adherence to exemption conditions. Imports availing concessional or Nil BCD based on end-use – common in electronics manufacturing, R&D, and telecom equipment assembly – are now exposed to heightened scrutiny under Section 111(o) of the Customs Act, 1962, in cases of deviation from declared use.

Further, procedural rationalisation under these notifications reflects a move towards digitised and granular declarations, with reduced tolerance for generic product descriptions in Bills of Entry. This is particularly sig-

nificant for multi-functional telecom and electronic equipment (such as integrated routers, switches, and wireless modules), where classification disputes and mis-declaration risks are inherently higher.

Temporary imports for testing, trials, or R&D purposes, frequently used by telecom operators, electronics start-ups, and equipment vendors, are no longer treated liberally. Time limits and procedural conditions are to be strictly enforced, requiring importers to plan duty exposure and compliance upfront rather than relying on post-facto regularisation.

Baggage Rules – Notification Nos. 05/2026-Customs and 14/2026-Customs

A particularly significant development for the IT, electronics, and telecom ecosystem arises from Notification Nos. 05/2026-Customs and 14/2026-Customs, which amend the Baggage Rules.

These notifications substantially tighten the scope of duty-free import of IT and consumer electronic equipment through passenger baggage,

an area that had historically served as a semi-informal import channel. Enhanced restrictions and valuation discipline have been introduced for laptops, tablets, smartphones, wearables, and high-value consumer electronics, with multiple devices no longer automatically qualifying as “personal effects”.

This change has direct implications for corporate travellers, expatriates, consultants, engineers, and telecom professionals who routinely carry multiple electronic devices. The amendments clearly signal an intent to curb grey-channel imports that bypass BCD, IGST, BIS certification, and WPC approvals.

From an industry perspective, while these changes may increase compliance friction for frequent travellers, they also protect domestic manufacturers and authorised importers by eliminating an uneven playing field. Corporates, particularly in the IT and telecom sectors, now face an increased risk of detention, duty demand, penalty, or confiscation of devices brought by employees unless baggage compliance is proactively managed.

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Overall Sectoral Impact and Policy Direction

Read together, Notifications 01/2026, 02/2026, 12/2026, 13/2026, 05/2026 and 14/2026 reflect a clear and coordinated policy direction. The Electronics and Telecommunication sector is moving away from broad customs exemptions and informal import channels, towards a regime that prioritises domestic manufacturing, tariff certainty, procedural discipline, and compliance-driven imports.

For industry participants, this translates into higher landed costs for several components and devices, increased compliance obligations, and the need for re-calibration of sourcing, pricing, and employee travel policies. At the same time, selective incentives continue for targeted manufacturing activities, indicating that customs policy is now being used as a precision tool aligned with industrial policy, rather than as a blanket relief mechanism.

IV. GST Amendments Under Union Budget 2026 – Electronics & Technology Sector Impact [To be effective with Finance Act, 2026]

Simplification of GST Valuation and Post-Sale Discounts

One of the most significant proposed amendments in the Finance Bill 2026 relates to the treatment of post-sale discounts under the GST valuation provisions (amending Sections 15 and 34 of the Central Goods and Services Tax Act, 2017). Previously, for a discount offered after supply to be excluded from the value of taxable supply (and thus reduce the tax base), there had to be a pre-agreed contractual link and documentary evidence at the time of supply.

The Budget proposes to broaden this treatment so that discounts determined after the supply (e.g., rebates given by electronics manufacturers or distributors based on sales performance) can be deducted for

GST valuation purpose even without prior contractual terms, provided they meet specified conditions. This change, which aligns the GST valuation regime more closely with commercial reality and reduces litigation on discount issues, will positively impact pricing and GST burden for large consumer electronics players, IT hardware distributors, and technology OEMs

Expansion of Refund Framework Including Inverted Duty Structure Cases

The Budget proposes amendments to Section 54 of the CGST Act to rationalise the GST refund regime, especially in the context of inverted duty structure – a situation where input taxes exceed output taxes. The amendment will allow provisional refunds (typically up to 90 % of the claim) to be granted in cases of unutilised input tax credit arising from an inverted duty structure, much like provisional refunds in export scenarios. This change is aimed at speeding up liquidity for businesses that face credit accumulation, which is often the case in the electronics supply chain where intermediate goods may attract higher GST than finished goods. For sectors such as telecommunications, electronics manufacturing and technology hardware, this improvement in the refund process could help ease working capital constraints

Removal of Minimum Threshold on Export Refund Claims

Another proposed amendment under Section 54 seeks to remove the minimum threshold for claiming GST refunds on exports made with payment of tax. The current threshold requirement has been a compliance hurdle, particularly for smaller exporters or those transacting smaller consignments of electronic components, semiconductors, and parts. By eliminating this threshold, the Budget aims to widen access to export-related refunds and enhance global competitiveness of India's electronics and IT goods exporters.

Place of Supply Rule for Intermediary Services

The Budget also proposes a key change to the IGST law's place of supply rules for "intermediary services" by deleting Clause (b) of Section 13(8) of the IGST Act, 2017. Under the current framework, intermediary services (services that facilitate a transaction without delivering the final service themselves) were deemed to be supplied where the supplier is located, which led to unintended GST liabilities in cross-border scenarios. With the deletion of this clause, the place of supply for intermediary services will now be determined under the default rule (Section 13(2)) – i.e., the location of the recipient, providing clarity and aligning the treatment with general supply principles. For tech intermediaries engaged in cross-border facilitation, outsourcing, platform services, and digital marketplace operations, this change is likely to significantly shape the GST-characterisation of cross-border transactions.

Union Budget 2026-27 moves beyond short-term relief to create a more predictable and investment-friendly framework for electronics, components and semiconductor manufacturing. The real impact will unfold over time, as these aligned measures translate into deeper localisation, stronger supply chains and a more reliable energy and materials base for India's next phase of growth.



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In the Service of the Nation

The Institution of Electronics and Telecommunication Engineers (IETE)

Call for Nominations for IETE Awards-2026

The IETE Awards have been established to recognize excellent scientific and technological achievements in the scientific fields covered by the Institution. Most of these IETE Awards are presented at the Annual IETE Convention (AIC) of IETE.

THE CALL FOR NOMINATIONS IS NOW OPEN FOR THE YEAR 2026.

Nomination Submission Deadline for IETE Main Awards and IETE Corporate Awards: May 31, 2026.

IETE Main Awards under consideration are presented to the nominee(s) who has made major scientific contributions in the field(s) as per the specification of the award. These awards consist of a plaque /medal, or/and honorarium, or/and travel support to an IETE regional meeting, where a lecture is be presented by the awardee.

Details and description of each award can be found <https://www.iete.org/files/CFN-MainAwards2026.pdf> and <https://www.iete.org/files/CFN-CorpAwards2026.pdf>

IETE AWARDS

IETE MAIN AWARDS (in the fields as stated)

- **IETE-Ram Lal Wadhwa Award** - (Electronics and Telecommunication Engineering)
- **IETE-Hari Ramji Toshniwal Award**- (Development & production of Electronic Instruments and related Systems)
- **IETE-Bimal Bose Award**- (Power Electronics)
- **IETE-Lal C Verman Award**- (Standardization, Quality Control and Precision Measurements)
- **IETE- IRSI (83) Main Award & IETE - IRSI (83) Young Scientist Award**- (Radar Science & Technologies)
- **IETE-Flt Lt Tanmaya Singh Dandass Memorial Award** - (Avionics)
- **IETE-Prof K Sreenivasan Memorial Award** - (Teaching Electronics and Telecommunication Engineering)
- **IETE-Prof SVC Aiya Memorial Award** – (Guidance in Electronics and Telecommunication Research work)
- **IETE-Prof S N Mitra Memorial Award** - (Radio Broadcast Science and Technology)
- **IETE – CEOT (94) Award (Biennial)** - (Opto Electronics).
- **IETE- B V Baliga Memorial**- (Electronics and Telecommunication with emphasis on R&D and Industrial Development)
- **IETE- N V Gadadhar Memorial Award**- (Electronics and Telecommunication Engineering with emphasis on Mobile Radio Communication)
- **IETE- B R Batra Memorial Award** - (for selfless service to the cause of the IETE)
- **IETE- R S Khandpur Award**- (Medical Instrumentation)
- **IETE-Brig M L Anand Award**- (Applications of Networking and Internet with its usage in everyday life & commerce)
- **IETE-Biman Behari Sen Memorial Award**- (emerging areas of Electronics and Telecommunications with emphasis on R&D and Industrial Development)
- **IETE- Life Time Achievement Award**- (Electronics, Telecommunication & allied fields)
- **IETE- Smt Manorama Rathore Memorial Award** - (Electronics and / or Communication)
- **IETE- Smt Ranjana Pal Memorial Award**- (RF Communications, Electromagnetic, Antennas, Microwaves Circuits, Devices etc)
- **IETE- Smt Triveni Devi Gupta Memorial Award**- (Electronics, Telecommunications, Medical Electronics, Broadcasting, IT, ICT, E-Governance, Computer Technology,

RF, e-Education, Electrical Technology). **IETE-Technomedia Award for Young Women in Engineering**- (Electronics, Telecommunication, Computer Science and Information Technology Engineering)

- **IETE-Shri Devi Singh Tyagi Memorial Award**- (Avionics and Defence Electronics)
- **IETE-Shri P P Malhotra Memorial Award**- (Electronics Industry /Academia) **only for IETE Organizational Members**
- **IETE-Dr Sudhakar Rao Award**- (Advanced Antenna System for Space, Air or Ground Communications)
- **IETE – Sri C Viswanatha Reddy Memorial Award**-(electromagnetics, antennas, and wireless communication) -
- **IETE– Smt C Ranganayakamma Memorial Award**-(electromagnetics, antennas, and wireless communication)
- **IETE- Yasodamma and Sarasavani Award**- (Wireless Sensor Networks & UAVs)
- **IETE – Prof Anita Gopal Dandekar Award** -(Generative Artificial Intelligence)
- **IETE-Dr K D Pavate Memorial Award**-(Digital & AI driven Acoustics)
- **IETE – Shri Mantej Singh Mangat Memorial Award**-notable contributions to the development or substantially improved method of innovative approaches for leveraging technology to support learning ecosystem and/or execute computer program solutions for businesses
- **IETE – Poojya Dr. Sharnbaswappa Appaji Award for Women in Technology and Innovation**-Electronics & Telecommunication, Computer Science/IT, Artificial Intelligence & Machine Learning, Internet of Things (IoT), Cybersecurity and Engineering Product Development
- **IETE CORPORATE AWARDS**

In the categories of Large Enterprises (LEs), and Micro/Small/ Medium Enterprises (MSMEs) in each of the following areas:

- Electronic Components
- Computer and Telecommunication Systems
- Development of Software
- Electronic Instruments and Instrumentation

INTERVIEW

'India's Electronics Manufacturing Requires a Shift from Cost-Driven Sourcing to Active Vendor Development'



MR. VINOD SHARMA

*Managing Director,
Deki Electronics*

*Past President,
ELCINA (2005-2007)*

*In a global environment marked by both uncertainty and opportunity, India stands to gain significantly – economically and strategically. To better understand this evolving landscape, we sought the insights of **Mr. Vinod Sharma**, Past President of ELCINA (2005-2007) and Managing Director of Deki Electronics. He also serves as Managing Director, IPEC India; Chairman of the CII National ICTE (Electronics Hardware) Committee; Chairman, CII Uttar Pradesh State Council (2019-2020), and Expert External with the CBI – Centre for the Promotion of Imports from developing countries. Through a wide-ranging conversation – from China's dominance in rare earths and the West Asia conflict to the growth of electronics components manufacturing and Deki's global ambitions – we explored Mr. Sharma's perspective on the future of the industry.*

1. What are the biggest challenges currently facing electronic component manufacturing in India?

India remains heavily import-dependent in electronic components. After oil, electronics is one of the largest import categories – around \$90-100 billion – with nearly half comprising components, especially semiconductors.

While progress under ISM 1.0 is encouraging and ISM 2.0 is awaited, the non-semiconductor segment – PEP-CAMS (PCBs, electro-mechanicals, passives, connectors, other actives, magnetics, and sensors) – also needs focused attention. This segment has recently gained momentum through the ECMS policy, supported by earlier initiatives such as SPECS, MSIPS, and the Electronics Manufacturing Clus-

INTERVIEW

ters scheme, under which ELCINA did a fantastic job establishing the first cluster at Bhiwadi, now housing almost 27 factories.

However, due to the erosion of domestic manufacturing after the zero-duty regime in 2005, India is still in a recovery phase. The key challenges are twofold. First, the ecosystem is dominated by SMEs and micro enterprises that often lack the scale and capital to meet investment thresholds and compete globally in a zero-duty environment. Second, there is limited access to advanced technology and know-how, much of which is concentrated in China-linked ecosystems. The recent review of Press Note 3, which allows for faster approvals for minority investments from such regions, is a welcome step. It can help bridge the technology gap.

That said, niche opportunities exist. Segments like magnetics remain labour-intensive and enjoy some tariff protection, offering India a potential pathway to become a global supplier with the right ecosystem support.

2. Are the current policies like ECMS and ISM helping the aim of shifting to deep manufacturing?

ECMS and ISM are steps in the right direction, supporting the shift toward deeper manufacturing. However, structural constraints continue to slow progress. India faces persistent cost disadvantages – higher logistics costs, expensive and less reliable power, and a higher cost of finance – while competing globally in a near zero-duty environment without tariff protection. These challenges become more pronounced as value addition increases. The deeper the manufacturing, the greater the exposure to these cost pressures, which is why firms have historically gravitated toward trading or assembly.

That said, momentum is building. PLI has strengthened the assembly ecosystem, and many EMS players now have the scale to move into components,

particularly PCBs. But assembly is only the first step in a four-stage value chain: assembly; components and modules; design and IP; and brands. Moving up requires ecosystem development.

As seen in the auto sector with Maruti Suzuki, building local supplier networks is critical. Electronics needs a similar shift – from cost-driven sourcing to active vendor development. Ultimately, deep manufacturing is essential for sustainable value creation and reduced dependence. But it will require more than incentives – scale, technology access, R&D investment, and stronger ecosystem alignment.

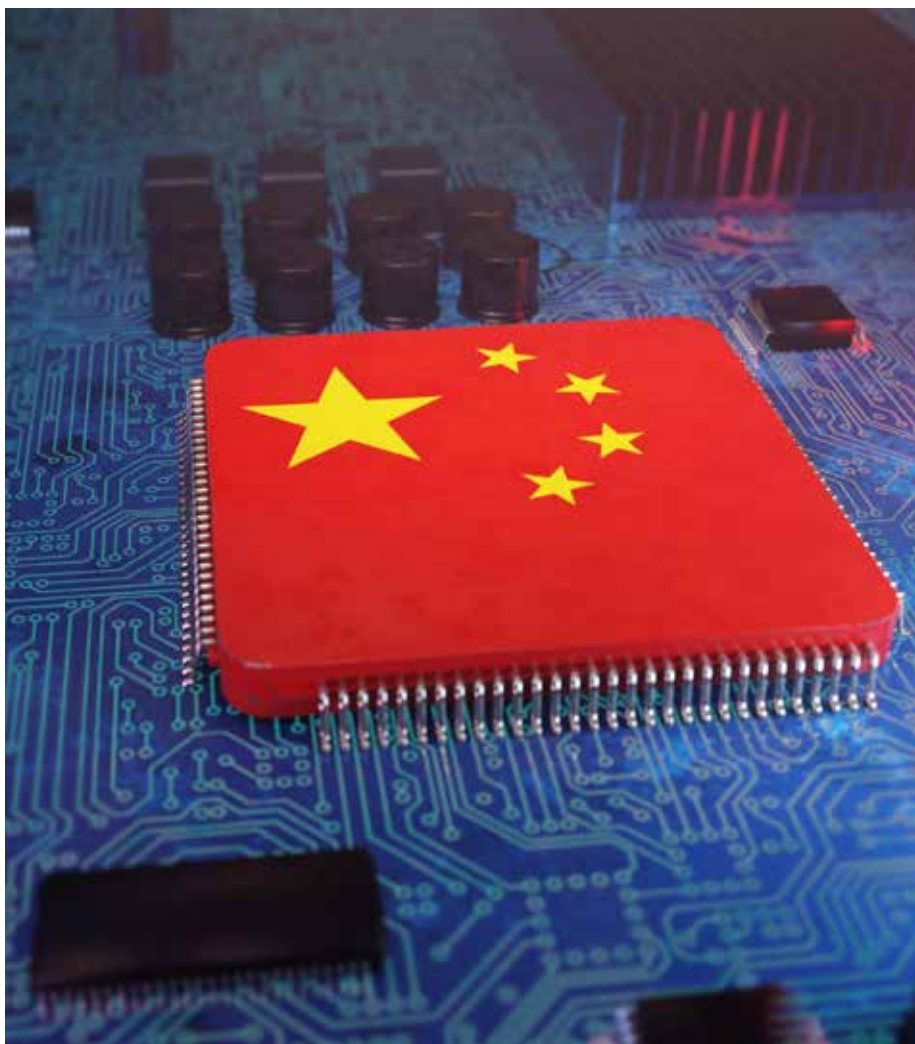
3. What additional policy steps would you recommend to accelerate domestic value-addition in the components sector?

There is a need to shift toward demand-led R&D, especially for the private sector. Instead of relying on traditional incentives, policy should create assured demand linked to local innovation. Government-led product challenges – indigenously designed e-rickshaws, for instance – backed by procurement commitments and incentives tied to domestic value addition can significantly de-risk investments.

Linking incentives to localization in high-growth sectors is equally important. In areas like electric mobility, mandates for adoption in segments such as e-commerce logistics or public transport can be paired with incentives based on local value addition, encouraging deeper domestic manufacturing. A “Made in India” value-addition rating can further drive change.

Similar to energy labels, products could be rated based on domestic content, enabling informed consumer choice and creating a market-led push for localization. At the same time, public procurement must align with localization goals. Government agencies and large buyers need to prioritize domestically developed products in both letter and spirit to build industry confidence.

INTERVIEW



Finally, ecosystem participation is critical. Industry must move beyond cost-driven sourcing toward active vendor development, recognizing that a strong domestic supply chain is in its own long-term interest.

4. How is China's dominance in rare earths affecting India's electronics sector amid recent export curbs, and what hedging strategies can industry and government pursue?

China's dominance in rare earths reflects a broader reality: any supply-chain dependency can be weaponized. While rare earths are a high-profile risk, vulnerabilities extend across the value chain. Even relatively simple inputs – such as specialized copper-clad steel wire used in capaci-

tors – are not produced domestically, and disruptions can halt production or force costly imports. This highlights the sector's exposure beyond just high-end materials.

In rare earths specifically, the risks are clear – supply insecurity, price volatility, and potential disruptions to electronics, EVs, and renewable energy. Government efforts to build domestic capabilities, from mining to refining, are necessary but will take time and must be complemented by parallel strategies. Recycling is a key opportunity. India's large e-waste base and existing informal collection network can be formalized and upgraded to recover critical materials faster than greenfield mining.

More broadly, India needs to map critical dependencies across materials and components and develop domestic capacity or alternative sources. At

the same time, industry participation is essential. Building resilience requires coordinated action – where policy, demand, and investment align to support localization, even if it involves short-term trade-offs.

5. In a prolonged US-Iran war scenario, what long-term global economic disruptions are likely, and how severely could indirect effects like supply-chain costs and demand slowdowns impact India's electronics sector?

The most immediate impact would be through energy. Any prolonged disruption in West Asia would push up energy prices and increase volatility, directly raising manufacturing costs in India. At the same time, logistics would be hit – shipping delays, rerouting, and sharply higher freight costs would weaken overall supply-chain efficiency.

Electronics manufacturing is particularly vulnerable due to its dependence on petrochemical-based inputs and specialty materials such as resins, gases like helium, and chemicals like bromine and styrene. Given the interdependent nature of the industry, the shortage of even a single input can halt production entirely – rendering all other available components unusable. Inflation would follow. Higher input and logistics costs would push up prices, and companies would pass these on, leading to demand softening.

Even if the conflict ends quickly, recovery will take a few weeks. Some price spikes – driven by panic buying or hoarding – would ease, but the larger lesson remains: repeated disruptions underscore the need to reduce dependence on concentrated supply sources. Over the medium to long term, strengthening domestic manufacturing, especially in components, becomes both an economic and strategic imperative.

INTERVIEW



6. AI offers opportunities like data center investments alongside risks such as labor displacement. How do you see its net impact on India's long-term electronics manufacturing and economic growth?

AI must be viewed within a broader wave of technological change – automation, Industry 4.0 and 5.0, robotics, drones, and machine learning. In the near to medium term, it will displace jobs, particularly at entry and mid-level white-collar roles. While India's workforce will adapt through reskilling, some disruption is inevitable.

As AI-driven efficiencies slow hiring in services – especially IT – more talent will shift toward manufacturing. This coincides with global supply chains diversifying beyond China, positioning India well, given its cost-competitive engineering talent and improving policy framework – provided it can scale manufacturing quickly.

With manufacturing still at around 15-17% of GDP versus a 25% target, AI could act as a catalyst. As labour dynamics shift, India has an opportunity to accelerate manufacturing growth,

particularly in electronics, which underpins sectors from automotive to healthcare.

However, this transition will require large-scale reskilling and ecosystem development. The services workforce must be redeployed into manufacturing, design, and hardware roles, while companies invest in AI-enabled production to stay globally competitive.

7. How is Deki Electronics positioning itself to lead in global electronics manufacturing amid evolving trade policies, geopolitical risks, AI labor transformations, and India's economic superpower ambitions?

Deki Electronics is pursuing a focused yet diversified strategy built on three pillars, aligned with global shifts in electronics, energy transition, and India's growth ambitions. First, its core strength remains film capacitors. With ECMS approval, Deki is undertaking a major capacity expansion and diversification. As energy systems shift toward renewables, capacitors are becoming central to power

electronics across generation, transmission, storage, and electric mobility. The company is making significant investments in this space – comparable to its cumulative investment over the past 40 years. It is also moving up the value chain through a proposed joint venture to manufacture MLCCs in India. Once approved, this would be a first-of-its-kind, end-to-end facility, marking a major step toward reducing import dependence in a critical component segment.

The second pillar is Sure Solutions, which focuses on retail and industrial digitization through integrated hardware, software, and application-layer offerings. While not purely manufacturing-led, it strengthens customer engagement and enables selective localization of key components. The third pillar is its investment in IPEC (India Power Electronics Company), a vertically integrated player in EV chargers and power electronics. With in-house capabilities spanning design, firmware, software, and manufacturing, IPEC is expanding from mobility into broader energy applications. Across all three pillars, Deki is embedding AI into operations, including leadership training for AI-led problem-solving.

Leading Through the Decades: A Personal & Professional Journey Through India's Electronics Transformation



MR.INDERDEEP SINGH

*Managing Director,
Continental Device India
Private Limited (CDIL)*

*Past President,
ELCINA (1997-1998)*

*Very few individuals in India have grown alongside the electronics industry – witnessing its transformation, contributing to its growth, and continuing to play a role in shaping its future. One such individual is **Mr. Inderdeep Singh**, Managing Director, Continental Device India Private Limited (CDIL), a pioneering semiconductor and electronics manufacturing company in India. He is also Past President of ELCINA (1997-1998). The ELCINA team met him at his Naraina office, where his journey with the company began. What followed was a free-wheeling conversation spanning his childhood in Delhi, his college years, the building of CDIL, and his perspectives on the future of India's electronics industry. Presented here are edited excerpts from that discussion. Notably, CDIL is also a founding member of ELCINA.*

Discovering Independence

I was born in Delhi into a business family, and had a happy, carefree childhood in the relatively sheltered school environment of 1970s Delhi. I studied in Delhi until Class 6, did well academically, and was actively involved in extracurricular activities. I then moved to Mayo College, Ajmer, for boarding school – a very different experience

that taught me self-reliance and discipline, while helping me build strong friendships. The school offered a wide range of opportunities, and I was deeply involved in sports, especially squash, as well as activities like photography and working in the electronics lab. I also developed an interest in trekking and the outdoors, and went on school trips to Darjeeling, Hemkund Sahib and the Valley of the Flowers.

MY STORY



Living and learning alongside students from diverse backgrounds broadened my perspective, while managing daily responsibilities on my own strengthened my independence – forming a strong and critical foundation for later life.

Beyond the Classroom

After finishing from Mayo College, I returned to Delhi and joined St. Stephen's College in 1977 to pursue a B.Sc. degree. I chose science, as this would keep the door open for further education on the technical side. Much like boarding school, college exposed me to a diverse set of people from across the country. I continued with my passion for photography, becoming the joint secretary of the college photographic society, and remained actively involved in squash, earning a colour for squash.

Outside academics, I made the most of opportunities for outdoor activities like trekking, going with the Youth Hostels Association to Kashmir, crossing the Margan Pass and Sinthen Pass, and also went to Gulmarg to learn skiing through the Indian Institute of Skiing and Mountaineering.

College life in Delhi was both new and enriching. I commuted by bus, usually from Central Secretariat on routes 210, 220, or 240, or by U Specials. Over time, familiar faces on these rides created a quiet sense of connection.

Global Exposure

After graduating from St. Stephen's College, I secured admission to pursue engineering in the USA. Before leaving, I spent a year at CDIL that had been founded in 1964 by my father, Dr. Gurpreet Singh to manufacture silicon semiconductors for the first time in India. At CDIL I gained broad expo-

sure across manufacturing, sales and purchase functions.

I chose Washington University in St. Louis, partly due to a scholarship, where I completed a Master's in Electrical Engineering and an MBA. It was a rich and diverse experience, with students from around 70 countries, and where there was a strong culture of both academic rigor and extracurricular involvement. I got involved with the film club, the ballroom dance club, and continued with my interest in photography. I also bought a car and travelled through over 25 US states, sometimes staying in a tent which I kept with me.

I partly supported myself through part-time jobs such as working in cafeterias, assisting in labs, and serving as a teaching assistant. While I valued my time in the US, I always intended to return to India, which I did after completing my education and gaining some experience.

MY STORY



had earlier focused on the rollout of colour televisions in India.

Carving Out New Niches & Opportunities

CDIL began offering manufacturing services in the early 1980s to support companies entering the colour TV market. Through a tie-up with a German firm, we brought in CTV technology and helped transfer it to Indian companies, while also providing assembly, testing, and electronics manufacturing services for those with strong market presence but limited electronics manufacturing capabilities.

The 1982 Asian Games significantly boosted colour TV adoption in India. We worked with many leading brands, supporting them through both technology transfer and manufacturing services – further strengthening our capabilities in electronics and semiconductors.

In the 1990s, I moved into the semiconductor side of CDIL, gaining deeper exposure to manufacturing processes and equipment, for both wafer fab and assembly & testing. I became involved in sales and marketing for global markets, participating in international and domestic trade shows, engaging with clients, and continued to spend time on the shop floor to better understand the technology. I was fortunate to work with very capable colleagues, which made it a very educational and rewarding experience. I have remained closely associated with semiconductors since then, while also contributing to the growth of our manufacturing services business.

Over time, we have built strong niches in both semiconductors and manufacturing services, supported by an able and driven team that stays current with technology and industry developments. Today, we continue to expand across both these areas.

When I joined CDIL at our Naraina office in New Delhi, it was the primary location for semiconductor devices.



Building a Place at CDIL

I rejoined CDIL in 1986, soon after returning to India. At the time, new opportunities were emerging in the telecom industry, and I became involved in a project to manufacture EPABX or Electronic Private Automatic Branch Exchange systems with technology from the Centre for Development of Telematics (C-DOT). This marked my re-entry into the company, and over time, I gained exposure across multiple functions.

At that time India was still operating under the License Raj, where licensed

capacity and actual production were key metrics. CDIL held a license for the telecom project, and my role spanned both manufacturing as well as sales and marketing. It was a valuable learning phase, and I had the opportunity to work with an excellent and highly capable team.

Even after we later stopped manufacturing complete PABX systems, we continued producing boards based on C-DOT technology for other players. This helped us leverage our capabilities and grow our electronics manufacturing services business, which

MY STORY

The facility housed a wafer fab and several assembly lines, as well as doing some EMS work. Over time, many of these operations were moved to Chandigarh, where we had initially set up a plant in 1975.

We later expanded into Mohali, where we now have plants separately focused on semiconductors and on manufacturing services. The semiconductor facility in Mohali has been operational for over two decades, with production gradually shifting there from both Chandigarh and Delhi.

Life Beyond Work

After I returned from the US, I was introduced to Reena. Over about a year, we got to know each other and decided to get married. We have two children. Our son, Prithvideep, joined the business and lives in Chandigarh with his wife and their young daughter. Our daughter, Gitana, is also married and now lives in Mumbai with her husband and their infant daughter. We remain a close-knit family, visiting each other often.

I had developed an interest in ballroom dancing in the 1980s while studying in the US and joined a dance club. I progressed from beginner to intermediate level and even assisted my instructor with beginner classes, which made the experience much more enjoyable. What began by chance became a lasting interest, and I've continued with it over the years for both enjoyment and for its physical and mental benefits. My wife Reena also shares an interest in dance, and over the years, we've had many joyful moments together, from dancing tango in different parts of the world, to going to a very formal Ball in Austria for waltz. While our ballroom dance videos may have gone viral – and we together even gave a TEDx Talk on it – our story is really of enjoying the music and the moment.

Over the years, I have had the opportunity to be involved with many wonderful organizations and associations - CII, ELCINA, AIMA, Young Presidents Organisation and Chief Executives



Organisation. Each of these have made a big impact on me, both professionally and personally and I have had huge learnings from each one of them. These organisations also gave me an opportunity to meet with many Heads of State and global thought leaders. The big takeaway is that the more you give to such organisations, the more you get from them.

CDIL & the Founding of ELCINA

CDIL was one of the founding members of ELCINA, established in 1967,

with my father, Dr. Gurpreet Singh, playing a key role in setting up the association. He strongly believed in the value of industry associations. While companies may have their own specific concerns, many challenges are common across the industry and are best addressed collectively. ELCINA was created to represent these shared industry issues and to engage with the government, seeking support and policy alignment. Over the years, ELCINA has grown into a strong and highly credible body with active participation from leading companies.

MY STORY



Given the technical nature of the electronics industry, ELCINA plays an important role in articulating industry needs and sharing the industry's views with multiple arms of the government. The association helps facilitate dialogue, align policies, and support the overall growth and success of the sector through multiple and varied programs.

India's Economic Transformation & the Electronics Opportunity Ahead

When I joined CDIL, the economy was still shaped by the License Raj, with tight controls on foreign exchange and business activity. The real turning point came with the 1991 reforms, which gradually shifted India from a highly regulated system to a more open and enabling environment.

Since then, the country has come a long way – regulations have been simplified, foreign exchange reserves have dramatically strengthened, and the government has moved from being a controller to a facilitator. Today, the electronics industry is benefiting not only from policy support through Government initiatives like PLI, SPECS, ISM, and ECMS, but also from global tailwinds such as supply chain diversification and risk management. These government initiatives are helping build scale and strengthening the manufacturing ecosystem in India. It is encouraging to see this transition, with policy now focused on enabling growth. Looking ahead, I believe the electronics landscape in India will be significantly larger and more robust over the next decade. It's exciting to be part of that journey.

BUSINESS UPDATE

Opportunities & Events

Forthcoming EVENTS



OVERSEAS SHOWS

Expo Electronica

14 - 16 April 2026

Crocus Expo IEC, Moscow, Russia

More at Electronicaexpo.com**SEMICON Southeast Asia 2026**

05 - 07 May 2026

Malaysia International Trade & Exhibition Centre (MITEC), Kuala Lumpur, Malaysia

More at Semiconsea.org**Design Automation Conference (DAC)**

26 - 29 July 2026

Long Beach Convention Center, Long Beach, California

More at Dac.com/2026**SEMICON Europa**

(Co-located with electronica)

10 - 13 November 2026

Trade Fair Center, Messe München, Munich, Germany

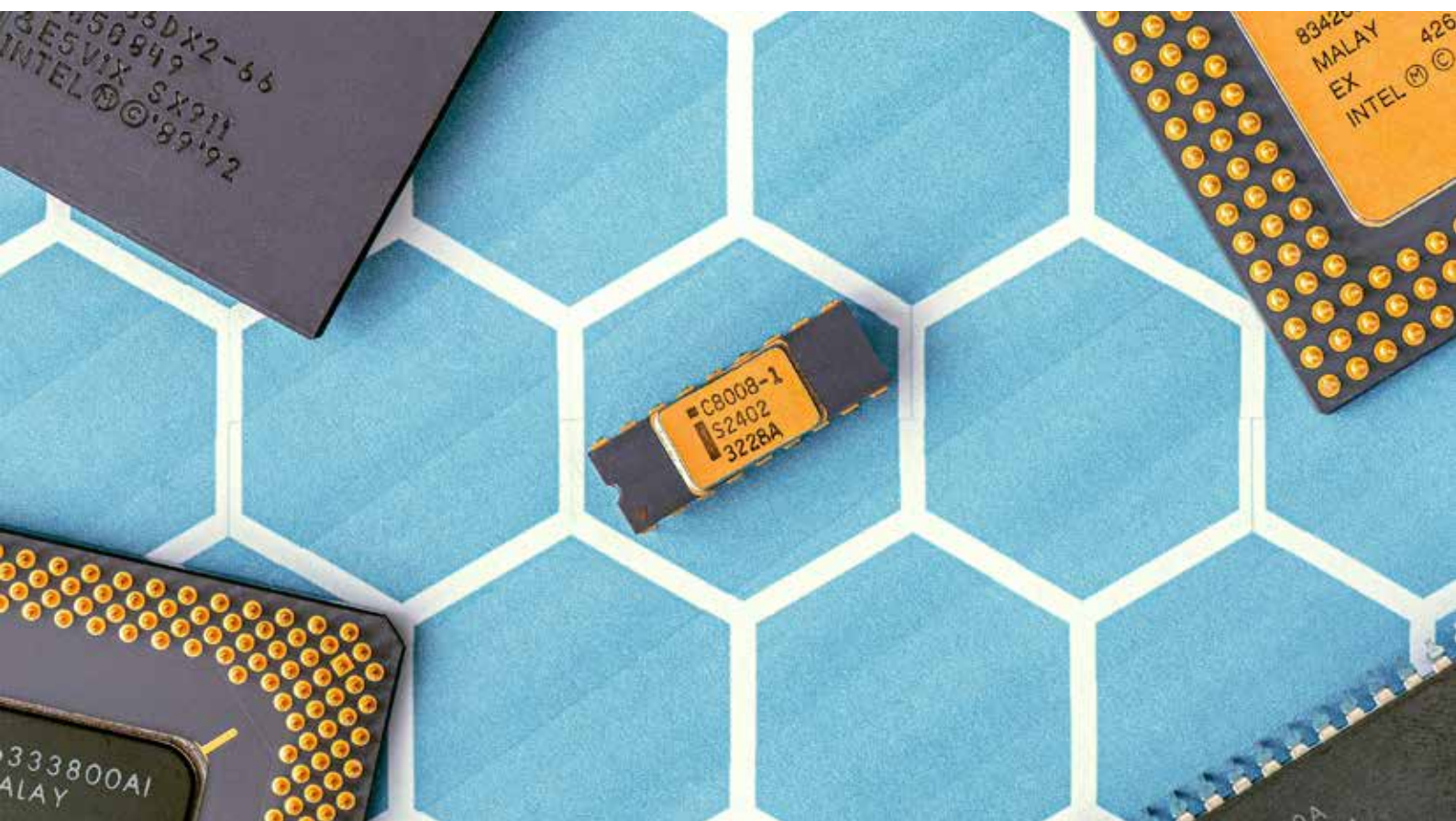
More at Semiconeuropa.org**Electronica**

10 - 13 November 2026

Trade Fair Center, Messe München, Munich, Germany

More at Electronica.de/en/trade-fair

BUSINESS UPDATE



DOMESTIC EVENTS

**Electronica India 2026**

08-10 April 2026

India Expo Centre & Mart (IEML), Greater Noida

Electronica-india.com/en**6th Electronics Supply Chain Summit 2026**

(Co-located with Electronica India)

08-10 April 2026

India Expo Centre & Mart (IEML), Greater Noida

Electronica-india.com/en**Productronica India 2026**

08-10 April 2026

India Expo Centre & Mart (IEML), Greater Noida

Productronica-india.com/en

BUSINESS UPDATE

**Bharat's Platform for Printed Circuit Boards (BPCA)**

(Co-located with Electronica India)

08 - 10 April 2026

India Expo Centre & Mart (IEM), Greater Noida**India Electronics Week (IEW)**

13 - 15 May 2026

Karnataka Trade Promotion Organisation (KTPO), Whitefield, Bengaluru

More at Indiaelectronicsweek.com**Strategic Electronics Summit (SES)**

23 - 24 July 2026

Bangalore International Exhibition Centre (BIEC), Bengaluru

More at Ses-india.in**IPCA Electronics Expo**

05 - 07 August 2026

Bharat Mandapam, Pragati Maidan, New Delhi

More at Ipcaexpo.com**Electronica India**

16 - 18 September 2026

Bangalore International Exhibition Centre (BIEC), Bengaluru

More at Electronica-india.com/en**Productronica India**

16 - 18 September 2026

Bangalore International Exhibition Centre (BIEC), Bengaluru

More at Productronica-india.com/en**SEMICON India**

17 - 19 September 2026

India International Convention & Expo Centre (IICC), Yashobhoomi, New Delhi

More at Semiconindia.org

ELCINA ACTIVITY UPDATE

Update on ELCINA Activities

Source India 2026 Marks 15th Edition with Record Participation, Strong Industry Engagement

The 15th edition of Source India Electronics Supply Chain, organised by ELCINA, marked a significant milestone in the platform's growth trajectory. Held on 10-11 February 2026 at Chennai, the event marked a significant step up in scale and engagement, attracting broad participation from exhibitors, buyers, sellers, policymakers and industry leaders.

The two-day event received encouragement and institutional support from the Government of Tamil Nadu and the Ministry of Electronics and Information Technology (MeitY), alongside industry sponsors. Dr. T. R. B. Rajaa, Hon'ble Minister for Industries, Government of Tamil Nadu, participated in the proceedings and engaged with delegates, reinforcing the state's commitment to strengthening the electronics manufacturing ecosystem.

This year's edition featured 174 exhibitors and covered over 2,400 square metres of net exhibition space. In addition to dedicated pavilions from Taiwan and Singapore, the event welcomed new country representations from Malaysia and Japan, underscoring its expanding international footprint. The conference programme brought together more than 30 industry leaders and government officials as speakers, while 40 hosted buyers participated in structured engagements that resulted in nearly 2,600 B2B meetings.

Four Vendor Development Meets hosted by leading companies drew strong attendance and were widely appreciated by participants. A dedicated B2B interaction session with organisations from Taiwan further deepened cross-border engagement and supply chain dialogue.

With over 4,000 visitors and delegates attending, Source India 2026 recorded its highest-ever footfall. Organisers noted that the scale of participation and the quality of business interactions are expected to strengthen domestic sourcing, promote value-added manufacturing and contribute to the continued expansion of India's Electronics System Design and Manufacturing (ESDM) sector.

ELCINA reiterated its commitment to positioning Source India as a key industry platform for advancing local value addition, fostering investment and supporting long-term growth in India's electronics manufacturing landscape.

Day 1



Dr. T. R. B. Rajaa, Hon'ble Minister for Industries, Government of Tamil Nadu, and dignitaries inaugurate Source India 2026

ELCINA ACTIVITY UPDATE

Day 1



Exclusive Vendor Development Session:
Zetwerk



Exclusive Vendor Development Session:
Bharat Heavy Electricals Ltd.



Exclusive Vendor Development Session:
Delta Electronics



Session: Markets driving Opportunities for
the Indian Supply Chain Ecosystem



Session: Unlocking New Export Market
Opportunities

Day 2



Inaugural Session – Day 2



Technical & Exclusive Vendor Development
Session Session: Syrma SGS



Technical Session: The Reliability Edge in
PCB Assembly – Synergizing Materials,
Equipment & Process for Zero Defects



Session: India's Semiconductor Leap:
Building a World-Class Ecosystem



Technical & Exclusive Vendor Development
Session: MacDermid Alpha Electronics Solutions



Technical & Exclusive Vendor Development
Session: India-Taiwan Business Partnership
Forum



Session: Indigenization of Capital Goods –
Opportunities & Importance for Advancing
Manufacturing Technology



Session: National Strategy for Rare Earth
Materials – Policy, Security and Self Reliance

ELCINA ACTIVITY UPDATE

Buyer-Selling Meetings



Exhibition Photos



MEMBERS' SECTION

PM Modi Lays Foundation for Foxconn-HCL Chip Plant in Jewar



Prime Minister Narendra Modi laid the foundation stone for a semiconductor fabrication facility in Jewar, Uttar Pradesh, being developed by Foxconn in partnership with HCL. The project marks a significant step in strengthening domestic electronics manufacturing and reducing import dependence. Highlighting the importance of rare earth minerals for chip production, the Prime Minister said India is working to secure supply chains, including dedicated corridors. He linked the initiative to the broader vision of a self-reliant economy, noting growth in electronics production, exports, and mobile manufacturing, and emphasised Uttar Pradesh's emerging role in India's semiconductor ecosystem.

Dixon, Longcheer Formalise JV to Strengthen Smartphone Manufacturing



Dixon Technologies has finalised a joint venture with Longcheer Intelligence after securing required government approvals. The new entity, Dixtel Infocomm, will see Dixon hold a 74% stake with an investment of ₹7.39 crore, while Longcheer will invest ₹2.6 crore for a 26% share. Announced earlier in February 2026, the partnership is expected to strengthen Dixon's position in smartphone manufacturing by ensuring steady production volumes. Longcheer is a key design and manufacturing partner for entry-level smartphones for brands such as Vivo, Oppo, and Samsung. Originally incorporated in 2023 as a wholly owned subsidiary of Dixon, Dixtel Infocomm will now operate as a formal joint venture.

Micron Opens Largest Semiconductor Clean Room in Gujarat, Ships First DRAM Modules to Dell



Micron Technology has commenced operations at India's first advanced memory ATMP facility in Sanand, Gujarat, and dispatched its first DRAM module shipment to Dell Technologies. The plant features a 500,000 sq ft raised-floor clean room, described as the world's largest of its kind for semiconductor assembly. Built to suit local soil and climate conditions, it meets Class 1000 standards and maintains 120 air changes per hour to safeguard sensitive components. The facility marks a major step in strengthening India's semiconductor ecosystem and integrating the country into global memory supply chains.

Ganesh Jivani Receives Entrepreneur of the Year Award at ET Now Leaders of Tomorrow Awards 2026



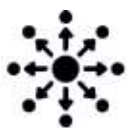
Ganesh Jivani, CEO and Managing Director of Matrix Comsec, has been awarded Entrepreneur of the Year at the 13th edition of the ET Now Leaders of Tomorrow Awards 2026, held in Mumbai. The awards recognise leaders and enterprises driving innovation, strong business models, and technological advancement across Indian industry. Mr. Jivani was honoured for his role in advancing innovation-led manufacturing and technology-driven growth at Matrix Comsec. Speaking on the occasion, he credited the company's technology and product management teams for building high-quality, world-class solutions. Matrix Comsec provides physical security and telecom solutions in over 50 countries and continues to invest in R&D, with a team of over 300 engineers and robust design and manufacturing capabilities.



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EXHIBITION



CONFERENCE



BUYER-SELLER MEET

Milestones of Source India 2026



8000+ sqm
Gross Space



178
Exhibitors



7000+
Delegates
& Visitors



50
Registered
Buyers



Vendor
Development
/ Technology
Sessions



Global Participation
from Taiwan, Singapore,
Malaysia & Japan



Innovative
Startup
Participation

Focus Industry Segments



Raw Materials
& Parts



PCB's & Components
- Active, Passive,
Electromechanical,
Mechanics



Electronic
Manufacturing
Services



Semiconductors
Supply Chain



Mobile Phones
and Accessories



Industrial,
Power, Medical
Electronics



Emerging
Technologies,
Smart Cities,
AI, IIoT



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Lighting



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and EV



Security, Surveillance,
Drones &
Defence Electronics



Consumer
Electronics



Telecom
and 5G

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