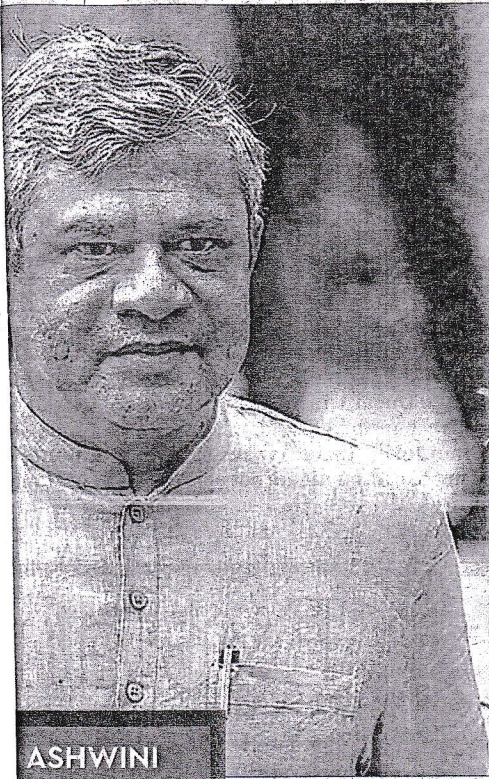


# Component manufacturing; AI laws to be on priority list



**ASHWINI  
VAISHNAW**

**Railways,  
IT & I&B**

**JATIN GROVER  
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**WITH ASHWINI VAISHNAW** retaining the ministry of electronics and IT (MeitY), expect faster implementation of the digital personal data protection (DPDP) law, and the government's semiconductor mission. Further, component manufacturing will

further deepen the electronics manufacturing ecosystem.

An added focus area will be to strengthen the artificial intelligence mission, where domestic manufacturing of AI chipsets may figure at some point of time. AI chipsets basically mean graphics processing units (GPU) which are essential for creating AI models as these require large-scale computing. At present, the US and China lead in computing infrastructure required for the development of the AI technology.

US-based Nvidia dominates the GPU market with about 88% market share and there is a lag of 12-18 months in getting GPUs from the company due to its high demand across the globe.

Further, facilitating the big tech firms to set up mega campuses in the country, which will have a cluster of factories producing a range of products, will be a key agenda.

Vaishnaw will continue to focus on the semiconductor sector with a fresh package this time. Under the ₹76,000 crore India Semiconductor Mission, the government has so far approved four chip projects including that of Micron, two chip projects of Tata group, and CG Power's chip assembly project.

The ministry will also look at approving semiconductor projects which are in the pipeline to promote chip assembly and manufacturing.

India AI mission, regulations around AI through guidelines and amendment to IT rules, the digital India Bill, revamp of Semi-conductor Laboratory, Mohali, guidelines on non-personal data and regulatory framework for online gaming industry will also be on the priority

list of Vaishnaw.

Besides, the focus will also be on the decision around extending the smartphone PLI scheme. Officials said the government has plans to replace the scheme gradually with the components scheme. Among the 14 PLI schemes, smartphone PLI has been the most successful one. The smartphone PLI has seen domestic production of phones rising to ₹4.1 trillion in FY24 from ₹2.14 trillion in FY20, the year before the scheme was announced. Smartphones exports from the country rose to ₹1.2 trillion in FY24, compared to ₹27,225 crore in FY20.

Industry executives in the semiconductor and electronics space have applauded Vaishnaw's continuity as a minister of MeitY. The same will assure policy certainty as well as ensure sound decision making, given Vaishnaw's expertise in the sector, analysts said.

Pankaj Mohindroo, chairman of India Cellular and Electronics Association (ICEA), said, "Industry is extremely satisfied with Hon'ble PM's decision of continuing key portfolios with the existing ministers". He said the continuity in policy making, governance approach and key priorities across finance, commerce, MeitY and environment ministry is critical to investor confidence and growth.

A Gururaj, MD of Optimus Electronics, said: "The previous tenure of this government was specifically rewarding for the electronics manufacturing industry. We share the vision of the government and will continue to work towards growing the electronics supply chain in India including design capabilities."