

SANKET

| Monthly Strategic Intelligence on India's Industrial Systems |

ISSUE 03 • JULY 2026 • 9-MIN READ

COVER STORY

The Opportunity Economy

Seven reports this month, one map: the layers India can build and own — sized, ranked and mostly upstream of the platform. June named the problem; July prices the opportunity.



DEFENCE & DUAL-USE



SEMICONDUCTORS



AI INFRASTRUCTURE



CRITICAL MINERALS

THE SANKET INDEX

34 /100

BUILDING +1 ↑

India Industrial Sovereignty — the composite of the Board. Up one point on June as four corridors ticked up.

FORECAST SNAPSHOT UPSTREAM CAPTURE BY 2030

55% **25%** **20%**

Base

Bull

Bear

India converts at least one of this month's maps into real upstream capacity, but stays input-dependent elsewhere. Bull: it owns a chokepoint (magnets or packaging). Bear: the maps stay maps.

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The Board



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The Opportunity Economy, Sized



The Ledger



Signal of the Month



Dependency Capture Framework™



From the Lab



Forecast

TECHADYANT LABS

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IN THIS ISSUE The Board • Opportunity Scoreboard • Capability Gap: Rare-Earth Magnets • The Ledger • Signal of the Month • Atlas Intelligence • From the Lab • Forecast

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Monthly Strategic Intelligence on India's Industrial Systems

ISSUE 03 - JULY 2026 - ISSUE AT A GLANCE

THIS MONTH'S FINDING

The Opportunity Economy

Eight reports this month, one map: the layers India can build and own - sized, ranked and mostly upstream of the platform.

THE SANKET INDEX

34 / 100
BUILDING +1

India Industrial Sovereignty - up 1 on June

THE PRIZE, SIZED (this month's maps)

~Rs 1.5 lakh cr

India-serviceable, 4 of 7 reports

Concentrated upstream: L2-L4

THE BOARD

Five corridors, scored 0-100. Change vs June in ().

Defence & Dual-Use	39 (+1)	Opportunity mapped end-to-end
Enterprise Software	40 (0)	Deep services, foreign ERP based
Semiconductors	36 (+2)	Semicon 2.0 widens support base
AI Infrastructure	31 (+1)	Quantum + water map the endgame
Critical Minerals	23 (+1)	Processing roadmap set; output

THE BOTTOM LINE

- Eight July reports map one thing: where India can build and own - sized.
- Four maps alone size ~Rs 1.5 lakh cr of serviceable opportunity, mostly upstream.
- Semicon 2.0 and the minerals roadmap aim policy at exactly those layers.

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Five Corridors, Now Moving

India's industrial sovereignty, read corridor by corridor on the Dependency Capture Framework™. Each reading is how much of the value India **captures** — not how much it hosts. June set the baseline; from this issue each reading carries its month-over-month move.

CORRIDOR	READING	TREND	BASIS
Enterprise Software	40 /100	→ HOLD	Deep services and design — but India still runs on foreign ERP it does not control.
Defence & Dual-Use	39 /100	↑ +1	Opportunity mapped end to end this month; motors, cells and controllers still imported.
Semiconductors	36 /100	↑ +2	Semicon 2.0 widens state support beyond the fab into machines, materials and chemicals.
AI Infrastructure	31 /100	↑ +1	Quantum and industrial-water maps put a number on the enabling layer beneath compute.
Critical Minerals	23 /100	↑ +1	Processing roadmap and magnet scheme set the direction; domestic output still zero.

THE SANKET INDEX

34

 / 100

BUILDING ↑ +1

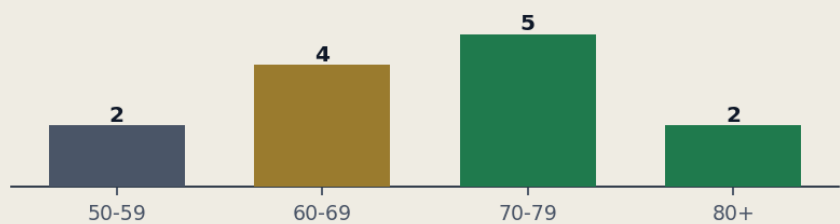
India Industrial Sovereignty — the composite of the Board. Up one point on June as four corridors ticked up.

FORECAST SNAPSHOT • UPSTREAM CAPTURE BY 2030

Base 55% • Bull 25% • Bear 20%

India converts at least one of this month's maps into real upstream capacity, but stays input-dependent elsewhere. Bull: it owns a chokepoint (magnets or packaging). Bear: the maps stay maps.

Signal Score distribution - July



THE TECHADYANT SIGNAL SCORE™

Every signal is scored 0–100 on four weighted dimensions — the same model, every issue, so the number means something over time.

Strategic Impact 40% • India Relevance 30% • Time Horizon 15% • Confidence 15%

THE BOTTOM LINE

- Eight July reports map one thing: **where India can build and own** — sized, ranked and mostly upstream.
- Four maps alone size **~₹1.5 lakh crore** of India-serviceable opportunity this decade — Semicon 2.0, quantum, industrial water and cargo drones.
- Semicon 2.0 confirmed the shift: **₹1.27 lakh crore** now reaches machines, materials, chemicals and gases — the 65% of chip value that sits beyond the fab.
- The critical-minerals roadmap named **processing** as the missing layer — China holds 60–90% of it, and India’s magnet output is still zero.
- The maps are the easy part. The test is **conversion** — serviceable ₹ becoming captured ₹, on an 18–30 month capacity lag.

THIS MONTH’S THESIS

The Opportunity Economy

June named the problem: India assembles, but the value lives upstream in the layers it does not own. July answers the obvious next question — so where, precisely, is the opportunity? Read together, this month’s eight Techadyant reports are one thing: a map of India’s opportunity economy — the specific, sized, mostly-upstream layers a founder, a fund or a ministry can actually build and own.

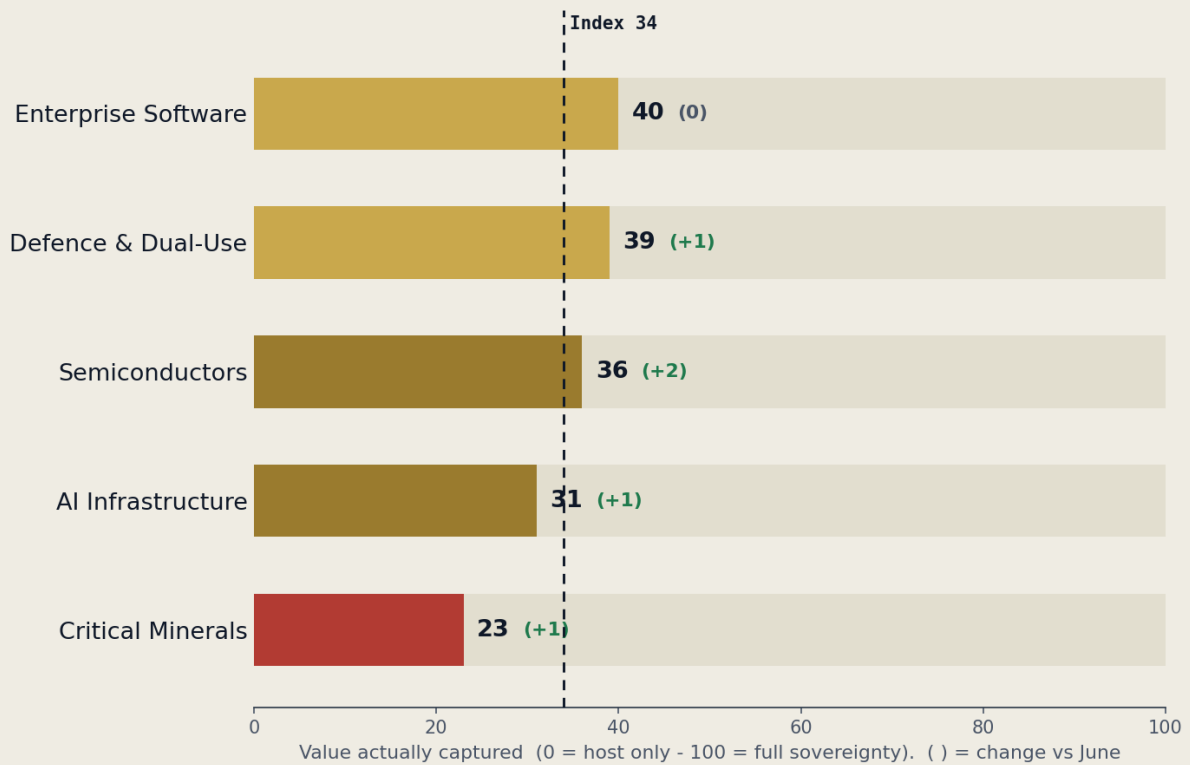
The maps are large and they agree with each other. Semicon 2.0 sizes ₹45,500 crore of serviceable opportunity beyond the fab; the quantum ecosystem roughly ₹40,000 crore; industrial water about the same by 2030; civil cargo-drone demand ₹18,400 crore of fleet value by 2035. Four maps alone come to about ₹1.5 lakh crore — before counting the loitering-munition, SME-drone and critical-mineral-processing opportunities sized inside their own reports.

They cluster in the same place. Plot the eight on the Dependency Capture Framework and six of eight target Layers 2 to 4 — processing, materials and components. The opportunity economy is upstream of the visible platform, precisely where India’s capture is thinnest and its import bill highest. That is not a coincidence; it is the structure of the problem restated as a structure of opportunity.

Policy moved to meet it. Semicon 2.0’s second pillar, the National Critical Mineral Mission’s processing focus, the rare-earth magnet scheme — July’s policy aimed at exactly the layers the maps did. The opportunity is now named and priced. The decade’s question is no longer identification; it is conversion — whether the serviceable number becomes a captured one.

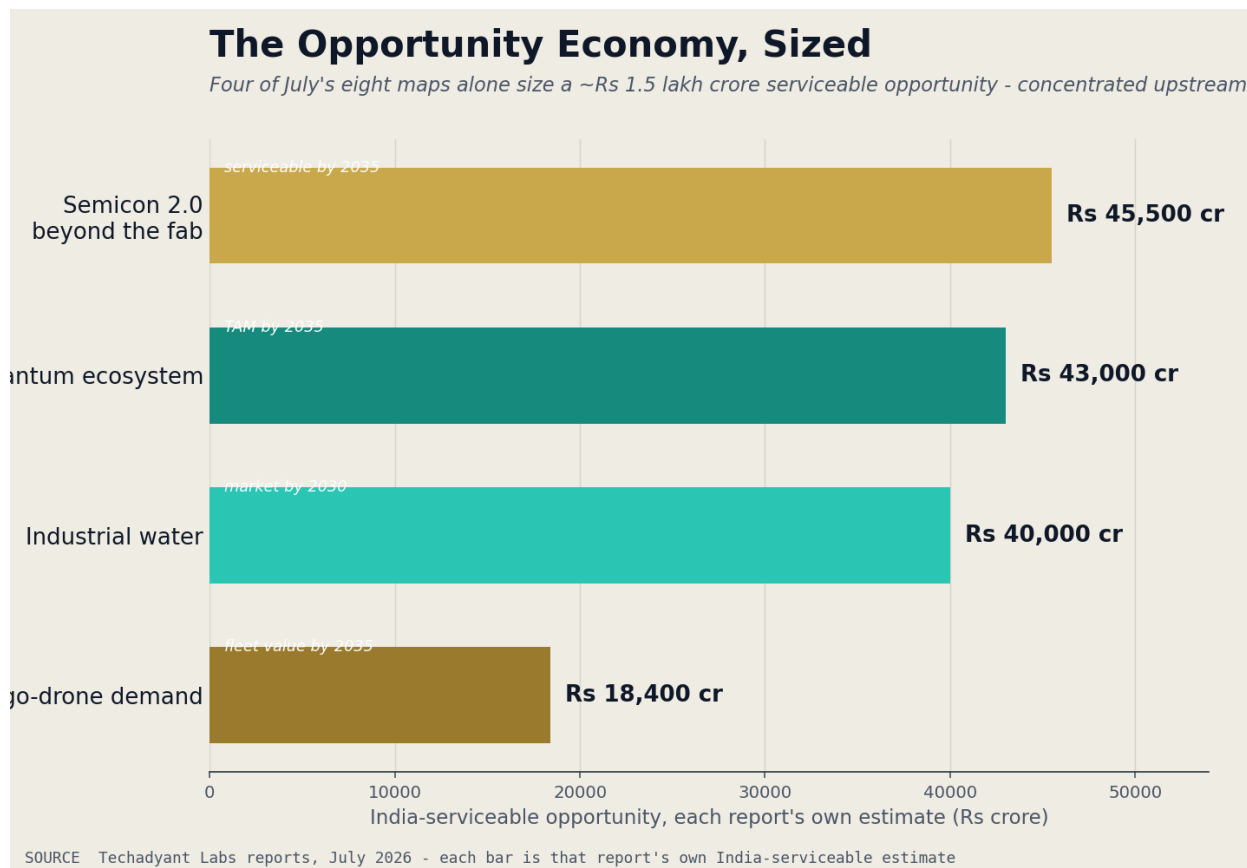
Where India Captures Value - and Where It's Moving

Four of five corridors ticked up in July as policy and opportunity maps landed.



SOURCE Sanket Board, July 2026 (analyst-set) - Dependency Capture Framework - change vs June baseline

This Month's Maps, in ₹ Crore



THE TAKEAWAY Four of July's eight maps size a ~₹1.5 lakh crore serviceable opportunity — and it sits in the layers India still imports. The prize is real, and it points upstream.

The Prize, on One Board

This month's maps as a dashboard, not a narrative — each opportunity sized, graded and tagged to the trigger that opened it. Every row is a candidate **opportunity surface** in the Atlas.

OPPORTUNITY	SIZE	CONFIDENCE	HORIZON	TRIGGER
Semiconductor materials & equipment	₹45,500 cr	HIGH	3-5 yrs	Semicon 2.0
Quantum ecosystem	~₹40,000 cr	MED	5-10 yrs	National Quantum Mission
Industrial water & ZLD	~₹38,600 cr	HIGH	3-5 yrs	Reuse / ZLD mandates
Cargo-drone fleet & services	₹18,400 cr	MED	5-10 yrs	BVLOS corridors
Rare-earth magnets	Import-sub	MED	2-5 yrs	REPM scheme
Loitering-munition subsystems	Large [mod]	MED	3-7 yrs	Op Sindoor demand
Quantum hardware & cryogenics	Import-sub	MED	5-10 yrs	National Quantum Mission
Drone SME / MRO layer	Fragmented	MED	0-5 yrs	Drone Rules / PLI

SIZE = each report's own India-serviceable estimate; import-sub = import-substitution play. Confidence and horizon are Techadyant assessments.

What Actually Moved in July

The month's hard moves — capital, policy and capacity — tagged by corridor and sourced. The record you can file and check back against.

THE MOVE	CORRIDOR	SOURCE
Semicon 2.0 cleared by Cabinet ~₹1.27 lakh cr across six pillars — the second finally funds the machines, materials, chemicals and gases beneath the fab, not just fabs.	SEMICONDUCTORS	PIB
Critical-minerals roadmap set NCMM (₹16,300 cr + ~₹18,000 cr PSU) and a ₹1,500 cr recycling scheme put processing, not just mining, at the centre.	CRITICAL MINERALS	PIB
Rare-earth magnet scheme funds output REPM ₹7,280 cr / 6,000 MTPA moves toward first domestic sintered-magnet production — backing the chokepoint, not the ore.	CRITICAL MINERALS	PMIndia
China sharpens the feedstock chokepoint Licensing on gallium and germanium — where China refines 98% and 77% — tightens the materials layer beneath every fab.	CROSS-CORRIDOR	USGS • IEA
Quantum mission scaled up NQM funding raised toward ₹900 cr; India's quantum-industrial base — sensors, cryogenics, control electronics — starts to form.	STRATEGIC TECH	PRS • Budget
Civil cargo-drone demand quantified Demand maps to ~50,200 drones and ₹18,400 cr of fleet value by 2035, led by healthcare, mining and industrial campuses.	LOGISTICS	Techadyant
Industrial water turns non-discretionary Enforcement — ZLD and reuse mandates — converts water compliance into a ~US\$4.65 bn market by 2030.	INDUSTRIAL INFRA	Frost & Sullivan

Sources are listed as published; load-bearing policy figures trace to PIB / government primaries.

SIGNAL OF THE MONTH

78

/ 100

HIGH CONVICTION

Semicon 2.0 Confirms the Opportunity Is Beyond the Fab

In July the Cabinet cleared Semicon 2.0 — and for the first time state support reaches the machines, materials, chemicals and gases beneath the fab. That is the whole thesis in a policy document: the fab is about 35% of the value; the other 65% — and 78% of the margin — sits in the eight upstream streams India imports. The programme is, in effect, a demand signal for exactly the SME-shaped opportunity: precision machining, cleanroom systems, specialty chemicals, metrology and packaging.

The tell to watch: whether pillar two — machines, materials, chemicals and gases — is notified with real allocations and eligibility, or stays a line in a press release.

THREE SIGNALS THAT MATTER

The Rest of the Board

76

/ 100

HIGH CONVICTION

India names the missing layer: processing.

The critical-minerals roadmap reframes mineral security as a midstream problem — refining, separation and magnets — where China holds 60–90% and India holds almost none. The opportunity, and the vulnerability, is the processing node, not the ore.

SOURCE IEA · PIB

74

/ 100

NOTABLE

Rare-earth magnets become a funded priority.

The ₹7,280 cr REPM scheme backs 6,000 MTPA of sintered-magnet capacity, with first production targeted by end-2026. India is finally funding the chokepoint, not the mine. The risk: an output gap before any line runs.

SOURCE PMIndia

72

/ 100

NOTABLE

Beijing tightens the semiconductor feedstock.

China's licensing on gallium and germanium — where it refines 98% and 77% of world supply — sharpens the materials dependency beneath every Indian fab, and strengthens the case for a domestic high-purity base.

SOURCE USGS · IEA

KEY JUDGEMENT · CONFIDENCE: MODERATE

We assess that India spent July converting diagnosis into a map: across eight reports the opportunity economy is now sized and located — overwhelmingly in the upstream layers (L2–L4) it imports. July's policy — Semicon 2.0, the minerals roadmap, the magnet scheme — is aimed correctly at that layer.

Principal risk: the maps outrun execution — serviceable opportunity that never becomes captured value, on the familiar 18–30 month capacity lag. A market-size deck is not a plant. Confidence is capped by India's record on value-addition targets.

Where the Opportunity Sits

Eight Maps, One Lens: Where the Opportunity Sits

Each of July's reports targets a layer of the stack. They cluster upstream - in the layers India does not yet own.

L6 Services & Design

L5 Systems & Integration

Cargo drones

L4 Manufacturing & Assembly

SME drones

L3 Components

Semicon 2.0

Loitering

Quantum eco

L2 Processing & Materials

Ind. water

Crit. minerals

Quantum SC

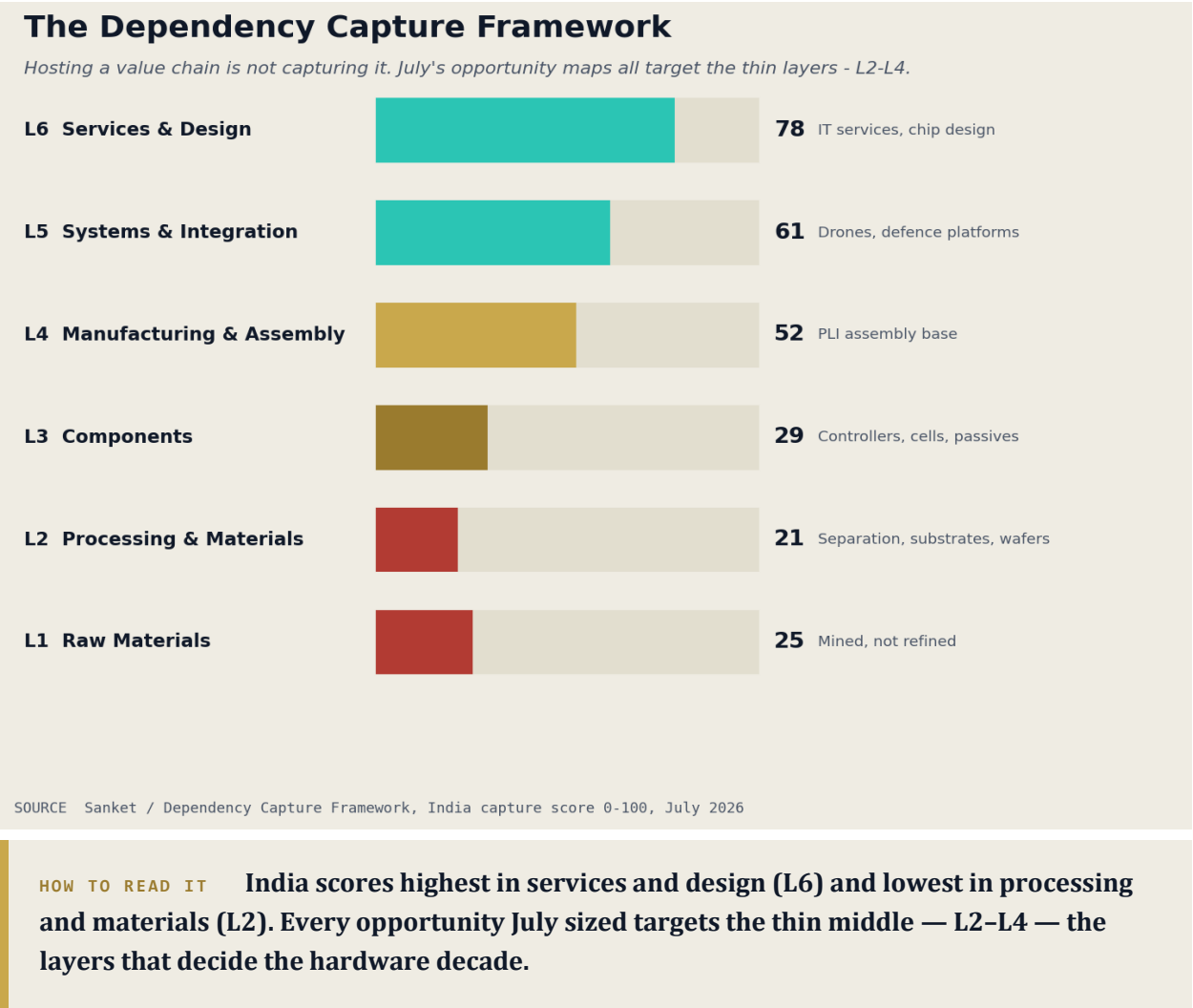
L1 Raw Materials

Six of eight target L2-L4 - processing, materials and components: the layers India imports

SOURCE Techadyant Labs, July 2026 - reports mapped to the Dependency Capture layer each opportunity targets

HOW TO READ IT Each of July's eight reports targets a layer of the value chain. Six of eight land in L2-L4 — processing, materials and components. The opportunity economy is upstream of the platform, exactly where India's capture is thinnest.

The Dependency Capture Framework™



Rare-Earth Magnets

Sanket's signature teardown of one capability India does not yet own — from imports to the investment it would take to close. **Deposits a capability score to the Atlas: India ~5 / 100.**

CURRENT CAPABILITY	Effectively zero commercial sintered NdFeB output. Only light rare-earth processing (monazite) exists, at DAE / IREL.
IMPORTS	~100% of magnet-grade NdFeB, almost entirely from China — which controls ~90% of global rare-earth separation.
DOMESTIC PLAYERS	IREL (monazite, light REs), Midwest Advanced Materials, HREPL; Vedanta and others exploring. None at commercial heavy-RE or sintered-magnet scale.
TECHNOLOGY GAPS	Heavy rare-earth separation (Dy, Tb), rare-earth metal-making, and sintering to defence-grade specs — the hard chemistry, all offshore.
INVESTMENT OPPORTUNITY	REPM scheme: ₹7,280 cr for 6,000 MTPA across up to five beneficiaries — a sales-linked incentive on the chokepoint, not the ore.
POLICY SUPPORT	REPM scheme + National Critical Mineral Mission (₹16,300 cr) + ₹1,500 cr recycling scheme — the layered backing this capability now has.
TIMELINE	First domestic sintered magnet targeted end-2026; commercial heavy-RE separation and scale realistically 2028+.

*“The opportunity isn’t hidden anymore.
It’s upstream — and now it’s priced.”*

Eight Reports, One Lens

July's research, each in a line and a number. Together they are the map behind this month's thesis.

- ▶ **The Semicon 2.0 Opportunity Map** [PAID] The eight streams beyond the fab that hold 65% of chip value and 78% of the margin. ₹45,500 cr serviceable by 2035
- ▶ **Securing India's Industrial Future** [FREE] India's dependency on critical-mineral processing, and the three-phase roadmap to 2035. China holds 60-90% of processing
- ▶ **Beyond Quantum Computing** [PAID] India's quantum industrial ecosystem, from qubits to the enabling supply layer. ~₹40,000 cr TAM by 2035
- ▶ **India's Industrial Water Opportunity Map** [PAID] The industrial-water market regulation is forcing into being — including semiconductor-grade ultrapure water. US\$2.87bn → 4.65bn by 2030
- ▶ **India's Cargo Drone Demand Intelligence** [PAID] Which industries generate civil cargo-drone demand, sized to 2035. 850 → 50,200 drones by 2035
- ▶ **India's Loitering Munitions Market Intelligence** [PAID] The loitering-munition decade — demand, subsystems and the sovereignty gap. 80% of the field-army drone budget
- ▶ **The SME Playbook for India's Drone Economy** [PAID] A commercially actionable guide for investors with ₹50 lakh-5 cr to deploy. The SME layer, mapped and ranked
- ▶ **The Hidden Supply Chain of Quantum Computing** [PAID] Where quantum value really sits — cryogenics, control and photonics — and India's missing base. Qubit chip is <8% of system cost

Own the layer, not the floor space. Full catalogue → labs.techadyant.com/reports

ATLAS INTELLIGENCE

What's New in the Graph

The Atlas is alive: this is what the knowledge graph gained this cycle — the permanent record every report and signal deposits.

- ▶ **+269 entities, +301 relationships** the report→graph extraction pass grew the SID's active graph by roughly two-thirds — companies, facilities, schemes and dependency edges.
- ▶ **Public Atlas: 116 → 246 players** a curation pass promoted the strongest new nodes into the public directory at labs.techadyant.com/research.
- ▶ **Five pillar maps went live** Semiconductors, Critical Minerals, AI Infrastructure, Defence and Enterprise Software — each a system map of streams, chokepoints and challengers.
- ▶ **Critical-minerals cluster added** NCMM, the REPM magnet scheme, IREL, Midwest and the rare-earth chain wired in — the graph behind this month's Capability Gap.
- ▶ **Six new signals (S-017-S-022)** the critical-minerals processing cluster entered the record, each sourced and scored.

Sizing the Opportunity Is the Easy Part

Consensus will read eight opportunity maps and a ₹1.5 lakh crore number as momentum. We'd be careful. India has never lacked market-size decks; it has lacked conversion — the refineries, the magnet lines, the specialty-chemical plants that turn a serviceable number into a captured one.

A TAM is not a plant. The maps are necessary and now they exist — but the metric that matters is domestic value-add per unit and first output, not the size of the prize. Cheer the maps. Stay sceptical until the first line actually runs.

Three Ways This Plays Out

55%

BASE CASE

India converts one or two of these maps into real upstream capacity — a magnet line, a packaging cluster — but stays input-dependent elsewhere. Value up, ceiling visible.

25%

BULL CASE

The new schemes seed real supplier clusters; India crosses into chokepoint ownership in at least one corridor — magnets or advanced packaging.

20%

BEAR CASE

The maps stay maps; incentives pool in assembly again; another sized-but-uncaptured decade — the prize named, not owned.

WHAT WE'RE WATCHING

On the Radar, Not Yet on the Board

- ▶ **Semicon 2.0 pillar two:** whether machines, materials, chemicals and gases is notified with real money and eligibility — the difference between a demand signal and a market.
- ▶ **Magnet output:** whether the first domestic sintered rare-earth magnet line actually produces by end-2026.
- ▶ **Critical-mineral refineries:** any lithium or rare-earth separation-plant announcement — and whether it carries a technology-transfer clause, not just imported equipment.
- ▶ **Cargo-drone corridors:** whether BVLOS approvals turn the demand map into flown volume.
- ▶ **Quantum conversion:** whether NQM funding produces hardware — sensors, cryogenics, control electronics — rather than papers.

QUESTIONS WE COULDN'T ANSWER

The open gaps in this month's record. If you can close one, tell us.

- India's true semiconductor-chemical (electronic-grade) capacity?
- Gallium and germanium refining capability, in tonnes?
- Rare-earth separation capacity by element?
- India's drone fleet, by state?

THE ATLAS NEEDS DATA

Help build India's industrial knowledge graph. We're seeking:

- Drone MRO providers
- Accredited testing & certification labs
- Industrial-park tenant lists
- Tier-2/3 supplier directories

Contribute → labs@techadyant.com

UPCOMING RESEARCH

India's Critical-Minerals Processing Opportunity

The paid follow-on to this month's free roadmap: where the refineries, magnet lines and chemical plants actually get built, who supplies the equipment and know-how, and who captures the midstream.

ALSO IN THE PIPELINE

AUG India's Edge AI Economy SEP The Quantum Computing Ecosystem

OCT India's Civil Aerospace Manufacturing NOV Semiconductor Supply-Chain Missing Links

Sanket is read by the funds, OEMs and ministries building this. Commission bespoke research or a DPR → labs.techadyant.com/services

THE SANKET STANDARD

Every report adds evidence.

Every signal updates the record.

Every Atlas page expands India's Industrial Knowledge Graph.

ABOUT TECHADYANT LABS

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