

GOVERNMENT OF INDIA  
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY  
**LOK SABHA**  
**UNSTARRED QUESTION NO.845**  
TO BE ANSWERED ON: 07.02.2024

**MANUFACTURING OF SEMI-CONDUCTORS**

**845. SHRI RAMESH BIDHURI:**

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government has taken any steps for the production/manufacturing of semiconductors in the country;
- (b) if so, the details thereof; and
- (c) whether any industry/plant has been set up till date in this regard and if so, the details thereof?

**ANSWER**

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY  
(SHRI RAJEEV CHANDRASEKHAR)

(a) and (b): Yes Sir, Government is very focused on its objective of building the overall semiconductor ecosystem and ensure that, it in-turn catalyses India's rapidly expanding electronics manufacturing and innovation ecosystem. Government has approved Semicon India programme with a total outlay of INR 76,000 crore for the development of semiconductor and display manufacturing ecosystem in the country. The programme aims to provide financial support to companies investing in semiconductors, display manufacturing and design ecosystem. This paves the way for India's growing presence in the global electronics value chains.

Following four schemes have been introduced under the aforesaid programme:

- i. **'Modified Scheme for setting up of Semiconductor Fabs in India'** for attracting large investments for setting up semiconductor wafer fabrication facilities in the country to strengthen the electronics manufacturing ecosystem and help establish a trusted value chain. The Scheme extends a fiscal support of 50% of the project cost on *pari-passu* basis for setting up of Silicon CMOS based Semiconductor Fab in India.
- ii. **'Modified Scheme for setting up of Display Fabs in India'** for attracting large investments for manufacturing TFT LCD or AMOLED based display panels in the country to strengthen the electronics manufacturing ecosystem. Scheme extends fiscal support of 50% of Project Cost on *pari-passu* basis for setting up of Display Fabs in India.
- iii. **'Modified Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab / Discrete Semiconductors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India'** extends a fiscal support of 50% of the Capital Expenditure on *Pari-passu* basis for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including MEMS) Fab/ Discrete Semiconductor Fab and Semiconductor ATMP / OSAT facilities in India.
- iv. **'Semicon India Future Design: Design Linked Incentive (DLI) Scheme'** offers financial incentives, design infrastructure support across various stages of

development and deployment of semiconductor design for Integrated Circuits (ICs), Chipsets, System on Chips (SoCs), Systems & IP Cores and semiconductor linked design. The scheme provides “Product Design Linked Incentive” of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and “Deployment Linked Incentive” of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application.

In addition to the above schemes, Government has also approved modernisation of Semiconductor Laboratory, Mohali as a brownfield Fab.

(c): The proposal of Micron Technology Inc., one of the global semiconductor companies, has been approved by Government for setting up a Semiconductor ATMP facility in India with capital investment of INR 22,516 crore. The construction work of the plant has started. Further, 4 proposals have been received for setting up Semiconductor Fabs and additional 13 proposals have been received for setting up compound semiconductor fabs and ATMP facilities.

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