

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION NO. 1854
TO BE ANSWERED ON: 04.08.2023

CHIP MANUFACTURING IN THE COUNTRY

1854. SHRI PRABHAKAR REDDY VEMIREDDY:

Will the Minister of Electronics and Information Technology be pleased to state:

- (a) whether it is a fact that chip manufacturing is key for future economic development of the country;
- (b) the reasons for Foxconn withdrawing from USD 19.5 billion chip plan with Vedanta;
- (c) whether it is a setback to India's chip making ambitions;
- (d) whether it is also a fact that Government asked Foxconn to set up independent unit on its own; and
- (e) if so, the response of Foxconn and in what manner Government is planning to go ahead in chip manufacturing, since India is the leader in chip designing?

ANSWER

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

(a): Digitization of the world is accelerating and intensity of the electronics and digital products in the lives of consumer enterprises and Government are at an accelerating phase. Semiconductors are at the core of electronics and therefore the vision of Government of India is to make India a trusted and significant part in electronics and semiconductor global value and supply chains. Semiconductor ecosystem represents the most complex ecosystem in science and engineering. Every semiconductor chip is a marvel of science and engineering.

Government is focused on its objective of catalysing overall semiconductor ecosystem to further expand India's already rapidly expanding electronics manufacturing and innovation ecosystem. Government has approved the 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 will pave the way for India's growing presence in the global electronics value chains.

(b): The withdrawal of Foxconn from the joint venture with Vedanta for setting up a semiconductor fab in India was their independent business decision.

(c): This does not represent any kind of setback for India's chip making ambitions since it is reported that Vedanta and Foxconn will independently pursue their semiconductor ambitions in India.

(d) and (e): It is reported that Foxconn is considering their own investment under Semicon India Programme.
