

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 1267
TO BE ANSWERED ON: 09.02.2022

SEMI-CONDUCTOR MISSION

1267. DR. (PROF.) KIRIT PREMJBHAI SOLANKI:

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

- (a) whether the Government is planning to create a semi-conductor mission for India;
- (b) if so, the details thereof including the time by which its manufacturing is anticipated;
- (c) whether the Government is considering to work in coordination with QUAD Partners for streamlining supply-chain of semi-conductors; and
- (d) if so, the details thereof and the role of India in aforesaid initiative?

ANSWER

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

(a): Yes, Sir. Government is focused on its important objective of building the overall semiconductor ecosystem and ensure that, it in-turn catalyses India's rapidly expanding electronics manufacturing and innovation ecosystem. This vision of AtmaNirbharta in electronics & semiconductors was given further momentum by the Union Cabinet, chaired by the Hon'ble Prime Minister, approving the Semicon India programme with a total outlay of INR 76,000 crore for the development of semiconductor and display manufacturing ecosystem in our country. The programme aims to provide financial support to companies investing in semiconductors, display manufacturing and design ecosystem. This will serve to pave the way for India's growing presence in the global electronics value chains.

(b): Following four schemes have been introduced under the aforesaid programme:

- i. **Scheme for setting up of Semiconductor Fabs in India** provides fiscal support to eligible applicants for setting up of Semiconductor Fabs which is aimed at attracting large investments for setting up semiconductor wafer fabrication facilities in the country. Following fiscal support has been approved under the scheme:
 - 28nm or Lower - Up to 50% of the Project Cost
 - Above 28 nm to 45nm - Up to 40% of the Project Cost
 - Above 45 nm to 65nm - Up to 30% of the Project Cost

- ii. **Scheme for setting up of Display Fabs in India** provides fiscal support to eligible applicants for setting up of Display Fabs which is aimed at attracting large investments for setting up TFT LCD / AMOLED based display fabrication facilities in the country. The Scheme provides fiscal support of up to 50% of Project Cost subject to a ceiling of INR 12,000 crore per Fab.

- iii. **Scheme for setting up of Compound Semiconductors / Silicon Photonics / Sensors Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / OSAT facilities in India:** The Scheme provides a fiscal support of 30% of the Capital Expenditure to the eligible applicants for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including MEMS) Fab and Semiconductor ATMP / OSAT facilities in India.

- iv. **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.

Cabinet approval is also granted for setting up of India Semiconductor Mission (ISM) as an Independent Business Division within Digital India Corporation having administrative and financial autonomy to drive India’s strategies for developing semiconductors and display manufacturing ecosystem. Envisioned to be led by global experts in the Semiconductor and Display industry, ISM will serve as the nodal agency for efficient, coherent and smooth implementation of the schemes.

(c): Yes, Sir. Government is closely working with other countries for collaboration on technology partnership, collaborative research, building a talent pipeline, building a Trusted Supply Chain, demand aggregation, infrastructure development, trust diplomacy and other supporting frameworks of the growing digital and technology ecosystem.

(d): One of the goals of the Digital India programme is for India and Indian entrepreneurs to create global leaderships in many of the emerging technology areas that will impact and drive the future of technology services and products for consumers/ enterprises and governments for the world.
