GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO.1513
TO BE ANSWERED ON: 04.12.2024

IMPORT TO MEET SEMICONDUCTOR DEMAND

†1513. SHRI CHINTAMANI MAHARAJ:

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

(a) the quantum of imports being made to meet country's semiconductor demand; and
(b) the measures being taken by the Government to promote the semiconductor manufacturing ecosystem to reduce the aforesaid said imports?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI JITIN PRASADA)

(a): As per the Directorate General of Commercial Intelligence & Statistics (DGCIS) portal, the import value of Semiconductor chip for Harmonized System of Nomenclature (HSN) codes 85423100 (Monolithic integrated circuits - digital), 85423200 (Memories), 85423300 (Amplifiers), 85423900 (Other) and 85429000 (Parts of electronic integrated circuits and micro assemblies) in FY 2023-24 is USD 20.7 Bn (~Rs 1,71,483crores).

(b): Government has approved Semicon India programme with a total outlay of Rs 76,000 crore for the development of semiconductor and display manufacturing ecosystem in the country. This programme provides:

1. Fiscal support of 50% of the project cost on *pari-passu* basis for setting up of Silicon Complementary Metal-Oxide-Semiconductor (CMOS) based Semiconductor Fabs in India.
2. Fiscal support of 50% of Project Cost on *pari-passu* basis for setting up of Display Fabs in India.
3. Fiscal support of 50% of the Capital Expenditure on *pari-passu* basis for setting up of Compound Semiconductors / Silicon Photonics (SiPh) / Sensors (including Micro-Electro-Mechanical Systems) Fab/ Discrete Semiconductor Fab and Semiconductor Assembly, Testing, Marking and Packaging (ATMP) / Outsourced Semiconductor Assembly and Test (OSAT) facilities in India.
4. Product Design Linked Incentive of up to 50% of the eligible expenditure subject to a ceiling of ₹15 Crore per application and also “Deployment Linked Incentive” of 6% to 4% of net sales turnover over 5 years subject to a ceiling of ₹30 Crore per application for incentivising chip design.

Government has also approved modernisation of Semi-Conductor Laboratory, Mohali to enhance efficiency and cycle time.

Under Semicon India Programme, Government has already approved five (5) semiconductor projects with cumulative investment of around Rs. 1 lakh 52 thousand crore. Further,15 semiconductor design companies have also been approved under the Design Linked Incentive Scheme to design chips for Indian products. Additionally, 41 semiconductor design companies have been approved for access of the tools required for designing the chips (called EDA tools) which is being made available by National EDA Tool Grid setup at ChipIN Centre at C-DAC Bengaluru.

To create the skilled manpower for chip design, Government has launched the Chips to Startup (‘C2S’) programme which plans to train 85 thousand specialized workforce at about 113 participating institutions in VLSI and Embedded System Design.

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