

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 2146
TO BE ANSWERED ON: 12.03.2025

INDIA SEMICONDUCTOR MISSION

2146. SHRI RAVINDRA DATTARAM WAIKAR:
SMT. SHAMBHAVI:
DR. SHRIKANT EKNATH SHINDE:
SHRI NARESH GANPAT MHASKE:

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

- (a) the objectives and key components of the India Semiconductor Mission (ISM);
- (b) whether the Government has signed a Fiscal Support Agreement (FSA) with CG Power and CG SEMI for a Rs. 7,600 crore semiconductor project and if so, the details thereof;
- (c) the details of financial and non-financial assistance provided by the Government for the CG OSAT project so far;
- (d) the timeline fixed for the completion and operationalization of the said project; and
- (e) the measures being taken by the Government to boost indigenous semiconductor manufacturing under the ISM?

ANSWER

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

(a) and (e): 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, which provides:

- i. 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.
- ii. Fiscal support of 50% of Project Cost on *pari-passu* basis for setting up of Display Fabs in India.
- iii. 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.
- iv. 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.

Further, to strengthen semiconductor manufacturing and creating a semiconductor ecosystem in the country, Government has entered in Memorandum of Understanding (MoU) with USA, European Union, Japan and Singapore. Additionally, India Semiconductor Mission has entered into MoU with IBM, Lam Research and Purdue University.

(b) to (d): Under Semicon India Programme, Government has approved five (5) semiconductor manufacturing projects with cumulative investment of around Rs. 1,52,000 crore. This includes the proposal of CG Power and Industrial Solutions Limited's for setting up an Outsourced Semiconductor Assembly and Test (OSAT) facility in Sanand, Gujarat, with an investment of Rs 7,584 crore with production capacity of around 15.07 Million Units per day. This facility is expected to start the commercial operations by third quarter of FY 2026-27.

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