GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED QUESTION NO. 4256
TO BE ANSWERED ON: 26.03.2025

EXPANSION OF SEMI-CONDUCTOR MANUFACTURING AND ELECTRONICS PRODUCTION IN ANDHRA PRADESH

4256. SHRI KRISHNA PRASAD TENNETI:

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

(a) the details of semi-conductor and electronics manufacturing projects approved for Andhra Pradesh under the Semicon India Programme including the planned projects in Bapatla Parliamentary Constituency;
(b) the funds allocated and utilized for setting up of semi-conductor fabrication (fab) units, chip design centres or Electronic Manufacturing Clusters (EMCs) during each of the last five years;
(c) the number of direct and indirect employment opportunities created through these initiatives, State-wise especially for Andhra Pradesh; and
(d) the steps taken to attract private investment and ensure self-reliance in semi-conductor production as part of Make in India and Atmanirbhar Bharat initiatives?

ANSWER

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

(a) and (d): 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. Besides, MoU for cooperation in development of semiconductor ecosystem have been signed with Singapore, USA, European Union and Japan.

Under the Semicon India Programme, Government has approved five (5) semiconductor manufacturing projects with cumulative investment of around Rs. 1,52,000 crore. Further, 17 semiconductor design companies have been approved under the Design Linked Incentive Scheme to design chips for Indian products. Additionally, 64 semiconductor design companies have been approved for access of the EDA tools made available under this Scheme.

Further, Chips to Start-up (C2S) Programmeis an umbrella programme initiated to generate 85,000 industry-ready manpower specialized in semiconductor chip design, VLSI (Very Large-Scale Integration) and embedded system design areas. Under C2S Programme, 4 R&D Projects have been approved in the State of Andhra Pradesh (AP). Further 12 institutions in the state of AP have been provided access to the EDA tools under this Programme.

In addition to Semicon India Programme, Government has introduced several schemes such as, Production linked incentive (PLI) scheme for Large Scale Electronics Manufacturing, PLI for IT Hardware, Electronics Manufacturing Clusters Scheme, Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) and Modified Special Incentive Package Scheme (M-SIPS) to position India as a global hub for Electronics System Design and Manufacturing (ESDM) by encouraging and driving capabilities in the country.

Under these initiatives, 27 companies under PLI for IT Hardware (including 1 in AP), 32 companies under PLI Large Scale Electronics Manufacturing (including 2 in AP), 28 clusters and 4 Common Facility Centers (CFCs) under Electronics Manufacturing Clusters Scheme (including 4 in AP), 313 companies under MSIPS (including 9 in AP) have been approved.

(b): Government has approved Semicon India programme with a total outlay of Rs 76,000 crore which includes Rs 1,000 crore outlay for Design Linked Incentive (DLI) Scheme; out of which more than Rs 60,000 crore has already been committed to the 5 semiconductor manufacturing projects and more than Rs 200 crore has been committed to 17 Semiconductor design companies approved under DLI. The Electronics Manufacturing Cluster Schemes of the Ministry of Electronics and IT have a total outlay of Rs 5,232 crore, out of which approx. Rs 3,400 crore has been committed for EMCs in various states.

(c): The aforesaid companies approved under various schemes for promoting electronics manufacturing, have already created more than 6 Lakh job opportunities. Further, the approved 5 semiconductor manufacturing projects are expected to generate more than 26,000 direct job opportunities depending on the maturity of factory automation. These units are expected to have a cascading effect on employment generation in the other sectors and the supply chain down the line.

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