

# L&T semicon arm looks to enter China market

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L&T Semiconductor Technologies (LTSCT), the semiconductor arm of the L&T group, is evaluating the idea of entering the Chinese market by next financial year — the market where it will not only make chips but also sell them to Chinese companies, said Chief Executive Officer Sandeep Kumar in an exclusive interaction with *Business Standard*.

“For a while, we have been looking at going into China. The plan is to study the matter by the end of the year and then decide. If there’s a positive outcome, we will start next financial year; we will set up operations to sell there and set up supply chains,” the executive said, adding that the plan to cater to the Chinese market was driven by the upside that the increase in volumes could provide to the company’s operations.

“China is a huge market and we need volumes in the semiconductor business, in which what we sell is less than a dollar apiece. While China, the United States, and Europe have volumes, India can export,” Kumar added, noting

that the key to success in the market would lie in winning clients and bagging large orders because it would compete with multinationals as well as Chinese players that may get subsidies for local manufacturing.

Kumar said since the company was primarily in the business of designing semiconductor chips, it would outsource production to semiconductor fabs in China, and might well use that as a base for supplying to other global markets if the plan to play in China got the green light.

The discussion on China come at a time when Sino-Indian relations appear to be thawing amid the onslaught of American tariffs, as Prime Minister Narendra Modi met Chinese President Xi Jinping met on Sunday, when they agreed that their countries’ economies could help stabilise world trade, *Business Standard* reported on Monday.

Kumar added the company

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Sandeep Kumar  
CEO, L&T



## Tessolve raises \$150 mn from TPG

Tessolve, a semiconductor engineering services company majority owned by Hero Electronix, has raised \$150 million from alternative asset management firm TPG. The fund will be used to strengthen global delivery centers, expand advanced test labs and accelerate strategic acquisition.

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was on track to achieve revenues of \$1 billion within seven years, following which it may consider building a fabrication plant in India.

“Right now, there are no plans to build a fab. We’re just starting out, we have 12-15 products that we’re selling to 8-10 customers, and 30-40 more customers are in the pipeline,” Kumar said.

For FY26, the company may look at clocking revenues of \$50 million-100 million on the back of strong order books. Having hired 400 people, the company will raise the headcount to 500 this year, and then scale up operations over the next three to four years.