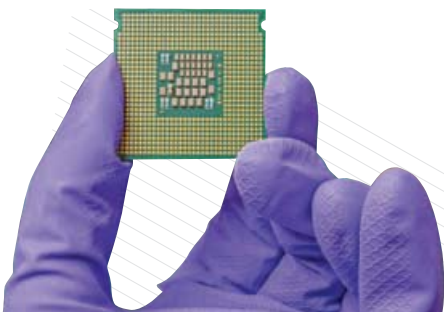


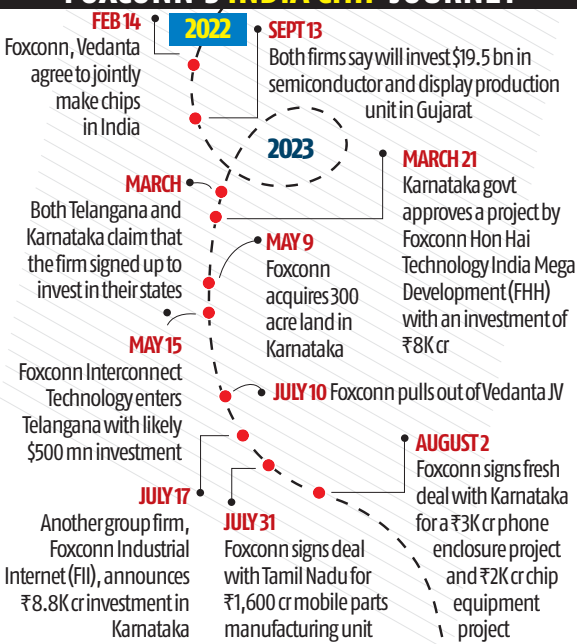
\$600 MN LINED UP

Foxconn to set up chip, iPhone parts units in K'taka



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FOXCONN'S INDIA CHIP JOURNEY



REUTERS

Bengaluru, 2 August

Foxconn will invest \$600 million (about ₹4,938.12 crore) in two projects in Karnataka to make casing components for iPhones and chip-making equipment, signalling its growing interest in the south Asian nation as it spreads bets beyond China.

Some \$350 million will go towards setting up the iPhone component facility, which will generate 12,000 jobs, while Foxconn will tie up with Applied Materials in a \$250 million project to make chip-making tools, the Karnataka government said in a statement. The state government said both projects were signed via so-called letters of intent, meaning final modalities could change.

Foxconn, which assembles around 70 per cent of iPhones and is world's largest contract manufacturer, has been diversifying production away from China amid Covid disruptions and geopolitical tensions. The investment decisions follow a meeting between Foxconn Chairman Young Liu, Karnataka's IT minister Priyank Kharge, and Industries Minister MB Patil. "We are excited about the

possibilities that Karnataka offers for our expansion plans in India," Liu said in the statement. Foxconn's expansion in India is also the latest in a string of foreign companies — from Micron to Amazon — that are expanding and committing billions of dollars worth of investment in the coming years, placing a bet on growing consumption and demand in the world's most-populous nation. Prime Minister Narendra Modi is also attracting investors for semiconductor manufacturing.

In Karnataka, Foxconn will collaborate with Applied Materials on a project for making semiconductor manufacturing equipment, and create jobs for around 1,000 people. Foxconn also has plans to apply for incentives under a \$10-billion scheme by Centre to promote chip manufacturing, and is in talks with Gujarat to set up a chipmaking facility. Foxconn chairman Liu has been in India and been meeting officials in several states after attending the Centre's flagship semiconductor conference. Tamil Nadu has also announced that Foxconn will invest \$194 million in a new electronic components manufacturing facility that will create 6,000 jobs.