

India to soon become exporter of semiconductors: Vaishnaw

GETTING READY. Foundation set for semicon industry with four projects, says IT Minister

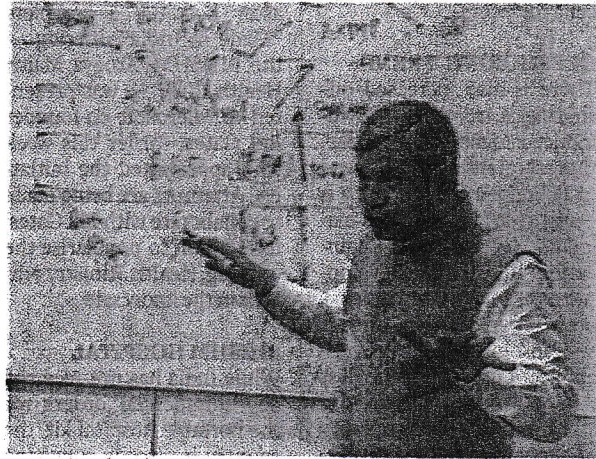
Abhishek Law
New Delhi

Over the next few years, India will not only meet its demand for semiconductors but will also start exporting them, Union Minister of Railways, Communications, Electronics & Information Technology, Ashwini Vaishnaw, said.

"A significant part of our (semiconductor) requirements will be made in India. We will also become major exporters, just like we have become for mobile phones," he told *businessline*.

LONG-TERM PLAN

The Minister pointed out that India is working on a long-term plan where "all three parts of the value chain" - design, ATMP and fab - come into the country. And "soon" the country will be in a position where (chip) designs can be complemented by ATMP (assembly, testing, marking and packaging) and fab (foundry) capabilities.



COMPLETE ECOSYSTEM. Union Communications Minister Ashwini Vaishnaw at a media interaction in New Delhi ANI

"I also foresee in future where we pick up some 10-15 odd chips (that are) designed here and export them. That is a reality in the coming days," Vaishnaw said.

STRATEGIC EXPANSION

On Thursday, the Union Cabinet had cleared proposals to set up three semiconductor units across the country - two in Gujarat and one in Assam - with an estimated investment of ₹1.26 lakh crore.

According to Vaishnaw, the foundation for setting up the semiconductor industry in India has already been laid through four-odd projects. This includes one unit set-up by Micron Technology previously and the three cleared by the Cabinet.

The proposed units will cater to the automobile, telecom, electrical, space and defence industries.

Among these units, one in Assam (by Tatas) will be exported to some of the

best automobile companies in the world. One of the companies will have capacities to supply to companies that make high-speed trains and refrigerators, apart from catering to other sectors.

As the semiconductor units get commissioned - each has a different timeline for commissioning - these will provide a boost to the manufacturing sector in the country, the Minister said.

"The discussion globally has already moved to: this is the right time to come to India. And as these semiconductor units come up, we will see a scenario where, perhaps over the next five years, multiple people will come to India (invest) and set up more (semi-conductor) units," Vaishnaw said.

According to him, India "did not rush" companies into the chip-set-making race; but instead took feedback on "what the government could do to support the industry" so as to set up the complete ecosystem, including having a talent pool.