

Infineon explores India power semicon chip entry

Move comes days after firm opened first phase of fab plant in Malaysia

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German semiconductor giant Infineon is exploring entry into the power semiconductor space in the country.

It is looking to make wafers and silicon carbide chips that are used in the electric vehicle (EV), industrial and telecom spaces.

Top executives from the company met Minister of Electronics and IT Ashwini Vaishnaw in Delhi on Wednesday for discussions.

This move comes close on the heels of Infineon opening the first phase of the world's largest 200 millimetre silicon carbide (SiC) fab plant in Malaysia.

The company has invested €2 billion for the first phase of the plant and the project is expected to generate 4,000 jobs. The company already has back-end and front-end manufacturing facilities in Asia apart from Malaysia. These are in Singapore, Indonesia, Thailand, and China.

But it has recently announced plans to lay off 1,400 and relocate them to countries with cheaper labour costs.

In a tweet on the meet, Vaishnaw said: "Discussed power semiconductor development with Infineon team. Good potential for silicon carbide



“DISCUSSED POWER SEMICONDUCTOR DEVELOPMENT WITH INFINEON TEAM. GOOD POTENTIAL FOR SILICON CARBIDE CHIPS IN EV, INDUSTRIAL, AND TELECOM SPACE”

ASHWINI VAISHNAW
Minister of Electronics and IT

chips in EV, industrial and telecom space.” SiC technology has revolutionised high-powered applications because they switch electricity more efficiently and enable smaller designs.

SiC semiconductors increase the efficiency of electric vehicles, fast-charging stations and trains as well as

renewable energy systems and artificial intelligence (AI) data centres.

Infineon has around 56,000 employees worldwide and generated revenues of €16.3 billion in the financial year 2023-24. It is currently the 10th largest semiconductor company in the world.

In the global automotive semiconductor market, the company with a 14 per cent market share in the world, is already the number one player in this space. The company, which has presence in over 155 locations across the world, has manufacturing facilities in 15 locations.

And, its key customers around the globe include Hyundai, Bosch, Denso, Siemens, and Delta, among others. The central government has also been looking at investments in compound semiconductors based on silicon carbide as well as gallium nitride.

Foxconn — after the failure of its joint venture with Vedanta — had also looked into the space but did not put in any application under the semiconductor scheme for incentives. In an interview earlier, Vaishnaw had said in the next five years, the government's aim is to set up six to 10 compound fabs and as many as four to five silicon fab plants in the country.