

Semiconductor projects worth ₹4,000 crore get go-ahead

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The Union Cabinet on Tuesday gave green light to two new semiconductor projects worth nearly ₹4,000 crore under the first phase of the India Semiconductor Mission (ISM), said Union Electronics and Information Technology Minister Ashwini Vaishnaw.

The two new projects will be implemented by Crystal Matrix Limited and Suchi Semicon Limited, with project costs of ₹3,068 crore and ₹868 crore, respectively. Crystal Matrix will produce Gallium Nitride (GaN) semiconductor chip wafers for mini and micro light-emitting diode display modules. Suchi Semicon, whose outsourced assembly and testing (OSAT) unit is already functional at Surat in Gujarat, has received approval to package lead frame and wire bond packaging semiconductor chips. These are used in electronic appliances such as refrigerators and air conditioners, among others. "The Cabinet's approval of new projects under the India Semiconductor Mission is a part of our



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efforts towards making India a leader in the global semiconductor value chain, focusing on manufacturing, packaging and advanced materials," Prime Minister Narendra Modi said in a post on X. These projects will be the last two semiconductor units approved under the first phase of ISM, Vaishnaw said. With the approval of these two projects, the government has given its nod to 12 chip manufacturing and packaging projects under ISM, totaling a cumulative investment of ₹1.64 tril-

lion, he said.

"These would complement the growing world class chip design capabilities coming up in the country which are propelled by design infrastructure support provided by the government to 315 academic institutions and 104 startups. Momentum is building up further in the semiconductor ecosystem in India with the 10 approved projects already in various stages of execution," the government said in a press note.

The ₹7,600-crore ISM, which was approved by the Cabinet in December 2021, gave nod to the first project in June 2023. The go-ahead was given to a \$2.75 billion project proposal by Micron to establish a semiconductor chip assembly, testing, marking, and packaging (ATMP) unit at Sanand in Gujarat. Later that year, the government approved India's first chip fabrication project proposal, a joint venture between Tata Group and Taiwan's Powerchip Semiconductor Manufacturing Corporation (PSMC). It had an investment of around \$11 billion (₹91,000 crore).