

Foxconn to team up with STMicro for chip plant

Foxconn Technology Group is teaming up with STMicroelectronics NV for a bid to build a semiconductor factory, seeking state backing to broaden its footprint in India.

Taiwan's Foxconn and Franco-Italian STMicro are applying for state support for a 40-nanometer chip plant, people familiar with the matter said, asking not to be identified as the plan is not public. Such mature chips are used in cars, cameras, printers and a wide variety of other machines.

The government has asked Foxconn, best known as Apple's key assembly partner, for more details about its partnership with STMicro,

the people said. Foxconn is also in talks with a few other companies that have chip-making technology, one of the people said.

Technology ministry did not respond to a request for comment. Foxconn and STMicro spokespersons declined to comment as well.

The move comes after Foxconn's attempted partnership with billionaire Anil Agarwal's Vedanta Resources fell apart after a year of little progress. By partnering with STMicro, contract manufacturer Foxconn is tapping the expertise of a chip-industry pioneer to expand in the lucrative but difficult semiconductor business.